**UNITED NATIONS** **S**

**Security Council**

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GENERAL

S/1999/471
23 April 1999

ORIGINAL: ENGLISH

# LETTER DATED 22 APRIL 1999 FROM THE CHARGÉ D'AFFAIRES A.I. OF THE PERMANENT MISSION OF YUGOSLAVIA TO THE UNITED NATIONS ADDRESSED TO THE SECRETARY-GENERAL

I am writing to express the dissatisfaction of the Federal Republic of Yugoslavia with your report of 9 April 1999 on the United Nations Mission of Observers in Prevlaka (UNMOP) (S/1999/404).

The report is biased and tends to downplay the continued violation of the United Nations-mandated regime of the demilitarized zone (so-called Blue and Yellow Zones) by the Republic of Croatia. It takes no account of the data from the internal report of the Chief Military Observer of UNMOP, which contains some of the most evident instances of the violation, such as the construction of fortifications and bunkers or the presence of 39 civilian vehicles with 72 civilians and 10 boats with 14 civilians from the Republic of Croatia in the period between 29 March and 4 April 1999.

Conversely, "the continued presence of troops of the Yugoslav Army in the north-eastern part of the zone" at Bjelotina which, according to the original conception of the United Nations security system, does not belong to the Yellow Zone, has been singled out in the report as "the most significant violation of the demilitarized zone". Similarly, the report notes the presence of 25 Croatian Special Police in the Blue Zone, but the presence is neither condemned nor the withdrawal of the Police requested.

There is no mention in the report of the fact contained in the said internal report that the Republic of Croatia blocks access to United Nations military observers to the area north of Dubravka. There is also no mention of the clear statement of the internal report to the effect that the arguments and documents presented by the Federal Republic of Yugoslavia show that the Republic of Croatia recognized in the past the Montenegrin jurisdiction in part of the disputed area and that the Republic of Croatia enclosed only a copy of the United Nations map from 1992 with the boundaries of the Blue Zone as proof of the extension of the border.

In the light of the aggression of the North Atlantic Treaty Organization (NATO) against the Federal Republic of Yugoslavia, openly supported by the Republic of Croatia, which has agreed to cede its airspace to the aggressor, the

request that an anti-aircraft gun observed at Debeli Brijeg in the Federal Republic of Yugoslavia be removed is unacceptable.

The Federal Republic of Yugoslavia guarantees full security to UNMOP. UNMOP should have secured the same level of security from the NATO aggressor rather than leave the area, which is unacceptable to the Federal Republic of Yugoslavia.

I should be grateful if you would have the present letter circulated as a document of the Security Council.

(Signed) Vladislav JOVANOVIC
Chargé d'affaires a.i.

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Security Council

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S/1999/472
25 April 1999

ORIGINAL: ENGLISH

LETTER DATED 24 APRIL 1999 FROM THE CHARGÉ D'AFFAIRES A.I. OF THE PERMANENT MISSION OF YUGOSLAVIA TO THE UNITED NATIONS ADDRESSED TO THE PRESIDENT OF THE SECURITY COUNCIL

I have the honour to forward herewith, a letter dated 24 April 1999 from Zivadin Jovanovic, Federal Minister for Foreign Affairs of the Federal Republic of Yugoslavia, concerning the past consequences of the aggression of the North Atlantic Treaty Organization concentrated primarily on civilian targets, as well as the duty of the world Organization to stop that aggression against my country.

I would be grateful if you would have the present letter and its annex circulated as a document of the Security Council.

(Signed) Vladislav JOVANOVIC
Chargé d'affaires a.i.

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Annex

Letter dated 24 April 1999 from the Federal Minister for Foreign Affairs of the Federal Republic of Yugoslavia to the President of the Security Council

It is a month today since the North Atlantic Treaty Organization (NATO) began its aggression against the Federal Republic of Yugoslavia. That aggression is the most flagrant violation of the Charter of the United Nations since the inception of the world Organization and a setback to the foundations of the international legal order, as well as a crime against peace and humanity.

For the sake of truth and history, I cannot but note that the Security Council has ignored several requests made so far by the Government of the Federal Republic of Yugoslavia, whether those made before the NATO aggression to prevent it or those made afterwards to condemn it and take measures to halt it. It is not difficult to predict what kind of consequences that is going to have for the future of relations in the world and for the fate of the United Nations itself.

Let me, however, remind you and the Security Council in brief of the facts testifying to the character and the past consequences of the NATO aggression.

NATO aggressors have concentrated primarily on civilian targets, directly endangering the lives and fundamental human rights of the entire population of Yugoslavia. NATO bombs dropped on the towns and villages to date have killed about a thousand civilians, including a great many children. A few thousand civilians have sustained injuries and will be crippled for life. The mass killing of civilians in the mining town of Aleksinac, in Belgrade, Pristina and Nis, and of passengers on an international passenger train in the Grdelica gorge as well as of refugees from Bosnia and Croatia in several refugee centres, and massacre of a convoy of refugees on the Djakovica-Prizren road as they returned home, and countless other examples, will forever bear witness to crimes against humanity. In doing so, the NATO aggressors have used weapons prohibited by international conventions, with children very frequently being the victims. Proof of it are seven children killed in Srbica, five shepherd boys killed in the village of Doganovici and five-year-old Milica Rakic killed in Batajnica - they all died of the sprinkle and delayed effect of cluster bombs. There is evidence also that NATO uses other internationally prohibited weapons. By systematically and massively bombing towns and villages, NATO has caused an exodus of refugees. Prior to the aggression, 2,000 foreign representatives (Kosovo Verification Mission (KVM)) and the personnel of humanitarian and other organizations left Kosmet, and with the onset of bombing and devastation of residential areas and civilian deaths, there started a flux of refugees.

An assassination attempt made by NATO aggressors against the President of the Federal Republic of Yugoslavia on 22 April 1999 represents an organized terrorist act without precedent in the civilized world. That is a crime not only against a head of a sovereign, independent State, but also a direct attack on the will of a European people and on the fundamental democratic values of the civilization. It is incomprehensible that the Security Council has not yet

found it pertinent to condemn this criminal act which is, in itself, an attack on the foundations of international law.

Concurrently with the humanitarian, NATO has also created an environmental disaster threatening almost the whole of Europe, which was the subject of a separate letter which I addressed to the Secretary-General of the United Nations and to the relevant United Nations agencies.

The destruction of a dozen private radio and television stations as well as of Radio-Television Serbia, which was bombed on 23 April, is an expression of the preponderance of one opinion, the biggest aggression against freedom of thought and a disgrace to civilization on the doorstep of a third millennium. Its purpose is self-evident: a media monopoly by NATO in order to manipulate world public opinion. This is more than a sign of alarm to those who care anything about truth and freedom, and a call for sobering up before the inquisition of NATO generals takes full control in their own countries and full control of the whole world.

Several thousand private homes and flats, some three hundred schools, dozens of hospitals and health institutions, hundreds of places of worship and cultural monuments, have been destroyed. Almost a million pupils and students had to stop attending schools and universities. The destruction of civilian factories has meant that more than half a million workers are out of work and approximately 2 million people without income.

These are but a few indicators of the effects of NATO aggression. All the effects - humanitarian, economic, environmental and health - are hard to see right now. Many of them will be seen much more clearly with the passage of time. It is clear, however, the effects will not be limited to Yugoslavia only. NATO has breached the Charter of the United Nations and directly threatened, and continues to threaten, international peace and security. Nevertheless, this is not a sufficient warning to, and reason enough for, its strategists to stop the aggression. What is more, however, NATO is trying, by combining pressure and various promises, to enlarge the number of participants in the aggression and, in particular, to draw the neighbouring countries into its plans. Simultaneously, attempts are currently under way in the Security Council to force - under the guise of alleged care for the refugees and guarantees for their safe return - a post festum legalizatio. of aggression and to involve even the United Nations in the crime against peace and humanity.

In view of the above, I urge you once again to take the initiative to have the Security Council, in accordance with its responsibilities spelled out in the Charter, condemn in the strongest terms the NATO aggression, violation of the Charter and international law, and take specific steps to end the aggression without delay. This will, at the same time, contribute to the creation of conditions for restoring peace and stability in the region and for settling all issues by political means.

(Signed) Zivadin JOVANOVIC

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**Security Council**

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23 April 1999
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LETTER DATED 23 APRIL 1999 FROM THE CHARGÉ D'AFFAIRES A.I. OF THE PERMANENT MISSION OF URUGUAY TO THE UNITED NATIONS ADDRESSED TO THE PRESIDENT OF THE SECURITY COUNCIL

I have the honour to bring to your attention a statement issued by the Government of the Eastern Republic of Uruguay concerning the humanitarian situation in Kosovo.

I should be grateful if you would have this letter and its annex circulated as a Security Council document.

(Signed) Julio BENÍTEZ-SÁENZ
Ambassador
Chargé d'affaires a.i.

Annex

Statement issued on 22 April 1999 by the Ministry of Foreign Affairs of Uruguay concerning the humanitarian situation in Kosovo

Given the tragic plight of the people of Kosovo and in the light of the ongoing humanitarian emergency affecting the region, the Government of Uruguay expresses its deepest solidarity with the inhabitants of Kosovo and its readiness to receive refugees from that region, to the extent of its capacity and available resources, and for so long as the international community is unable to realize the goal of peaceful resettlement of the displaced population. In this connection, contact will be maintained with United Nations organs for the purpose of formalizing implementation of this offer.

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**Security Council**

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S/1999/474
26 April 1999

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GENERAL ASSEMBLY
Fifty-third session
Agenda items 39, 40 and 84
QUESTION OF PALESTINE
THE SITUATION IN THE MIDDLE EAST
REPORT OF THE SPECIAL COMMITTEE TO INVESTIGATE ISRAELI PRACTICES AFFECTING THE HUMAN RIGHTS OF THE PALESTINIAN PEOPLE AND OTHER ARABS OF THE OCCUPIED TERRITORIES

SECURITY COUNCIL
Fifty-fourth year

Letter dated 23 April 1999 from the Chargé d'affaires a.i. of the Permanent Observer Mission of Palestine to the United Nations addressed to the Secretary-General

I would like to bring to your attention the recent decision by the Government of Israel, the occupying Power, on Thursday, 22 April 1999, to issue closure orders against offices at the Orient House in East Jerusalem.

This dangerous and provocative decision is not only a provocation against the Palestinian people, it is also a gross violation of international law and United Nations Security Council and General Assembly resolutions, as well as of the agreements reached between the two parties. In this context, I would like to refer to the letter sent by Mr. Peres, then the Israeli Foreign Minister, to Mr. Holst, the Foreign Minister of Norway, which confirmed that, as part of the agreements, "the Palestinian institutions of East Jerusalem and the interests and well-being of the Palestinians of East Jerusalem are of great importance and will be preserved. Therefore, all the Palestinian institutions in East Jerusalem, including social, economic, educational and cultural, and the holy Christian and Muslim places, are performing an essential task for the Palestinian population. Needless to say, we will not hamper their activities".

The United Nations Security Council has adopted numerous resolutions reaffirming the applicability of the Fourth Geneva Convention of 1949 to all the territories occupied by Israel in 1967, including Jerusalem. Specifically, the Security Council has adopted sixteen resolutions regarding Jerusalem and has repeatedly declared that all measures and arrangements taken by Israel, the occupying Power, aimed at changing the legal status, demographic composition and

character of the city are null and void and without any legal validity whatsoever.

Such continuing provocative actions and measures are illegal under international law and undermine and violate the principles of the Middle East peace process. The Security Council, as the body responsible for the maintenance of international peace and security, is under the obligation to take appropriate measures in this regard to protect the already frail peace process.

I would be grateful if you would arrange to have the text of this letter distributed as a document of the General Assembly, under agenda items 39, 40 and 84, and of the Security Council.

(Signed) Marwan JILANI
Chargé d'affaires a.i.

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General Assembly
Security Council

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GENERAL ASSEMBLY
Fifty-third session
Agenda items 36 and 64
COOPERATION BETWEEN THE UNITED NATIONS AND THE ORGANIZATION FOR SECURITY AND COOPERATION IN EUROPE
MAINTENANCE OF INTERNATIONAL SECURITY - PREVENTION OF THE VIOLENT DISINTEGRATION OF STATES

SECURITY COUNCIL
Fifty-fourth year

# LETTER DATED 23 APRIL 1999 FROM THE PERMANENT REPRESENTATIVE OF THE RUSSIAN FEDERATION TO THE UNITED NATIONS ADDRESSED TO THE SECRETARY-GENERAL

I have the honour to transmit herewith the text of a statement dated 23 April 1999 by an official representative of the Ministry of Foreign Affairs of the Russian Federation on the question of the settlement of the crisis in Kosovo, Federal Republic of Yugoslavia (see annex).

I should be grateful if you would have this letter and its annex circulated as soon as possible as official documents of the General Assembly, under agenda items 36 and 64, and of the Security Council.

(Signed) S. LAVROV

Annex

Statement by an official representative of the Ministry of Foreign Affairs of the Russian Federation

The Russian Federation is consistently following the policy established by Mr. B. N. Yeltsin, President of the Russian Federation, for the earliest achievement of a political settlement of the Kosovo crisis on a just and lasting basis. This work is being conducted through many channels - from high-level bilateral contacts and mediation missions to wide-ranging activity in the area of multilateral diplomacy and the activation of the capabilities for the establishment of peace in the Balkans of those international organizations of which the Russian Federation is a member.

A key place in this process is held by the Organization for Security and Cooperation in Europe (OSCE), within the framework of which, over the past quarter of a century, special instruments have been developed for cooperation in crisis situations. One of them - the mechanism for consultations and cooperation with regard to unusual military activity, envisaged by the Vienna document of 1994, has already been activated by Belarus in connection with the aggression by the North Atlantic Treaty Organization (NATO) in the Balkans. While commending and supporting this step by Minsk, the Russian Federation, for its part, in accordance with the mechanism for consultations and cooperation with regard to emergency situations adopted at the first meeting of the council of the Conference on Security and Cooperation in Europe (CSCE) in Berlin in 1991, sent official enquiries to the NATO member countries on 21 April 1999. These enquiries note, in particular, the overt, flagrant and unceasing violation by the North Atlantic treaty countries of at least seven of the ten basic principles of international relations laid down in the Helsinki Final Act. They include the principles of sovereign equality and respect for the rights inherent in sovereignty; refraining from the threat of use of force; territorial integrity of States; peaceful settlement of disputes; non-intervention in internal affairs; respect for human rights; and fulfilment in good faith of obligations under international law.

Indeed, it is impossible to find any justification under international law for the NATO strikes. The Russian Federation regards the force applied against the Federal Republic of Yugoslavia, in circumvention of the generally recognized and imperative norms of international law, as aggression giving rise to consequences of responsibility. The references made by representatives of NATO and member States of the alliance to Chapter VII of the Charter of the United Nations, to "intervention in order to overcome a humanitarian disaster", "resistance to the policy of genocide" and so forth, are far-fetched, and any serious analysis immediately rules out any correlation between them and the legal norms and practice of international relations, above all the Charter of the United Nations, and decisions and obligations within the framework of OSCE.

The course of events in Yugoslavia since 24 March 1999 has shown that it is actually the military actions of NATO which provoked the current humanitarian disaster and created a full-fledged emergency situation in the Balkans. The Russian Federation demands that NATO should stop, and should remember its

obligations, and the moral, ethical and democratic values which we all agreed to respect and observe as the foundations for the building of a new Europe in the twenty-first century – peaceful, democratic, prosperous and free of any boundaries. We hope that within the 48 hour deadline envisaged in the Berlin mechanism the addressees will give an adequate response. We believe that this enquiry will give members of the alliance a chance to reconsider their actions and revert in practice to the observance of the norms and principles of international law.

The launching on 23 April 1999 of the OSCE mechanism for the human dimension should give significant political impetus in the same direction. In accordance with the final document of the Vienna meeting of the representatives of States members of CSCE in 1986, the Russian Federation sent the NATO countries a declaration and a request for information in connection with the massive violations of human rights and fundamental freedoms, and also of the humanitarian obligations deriving from the decisions and agreements adopted within the framework of CSCE/OSCE, committed by NATO, its members, officials and military personnel in the territory of the Federal Republic of Yugoslavia.

Specific reference was made to the incidents of the destruction by NATO combat aircraft of a passenger train on 12 April and of two convoys of Albanian refugees on 14 April, causing the deaths of dozens of people. This, like the deliberate NATO strikes on targets in which civilians are present, is in flagrant violation of article 3 of the Universal Declaration of Human Rights: "Everyone has the right to life, liberty and security of person". The arguments put forward in the alliance about human casualties as "unavoidable collateral damage" are unacceptable, cynical and amoral. Who in NATO determined the limits of this "collateral damage"? – do such limits exist for the alliance at all?

The enquiries refer to specific international documents and establish their violation by the NATO members as a result of such actions as the systematic destruction of Yugoslav towns and population centres, and civilian dwellings, and the destruction of life-supporting, economic and environmental targets in the Federal Republic of Yugoslavia. All this may lead to a complete collapse of all life in Yugoslavia, and further suffering for the population, in the first place old people, women and children. At the same time, the material base and the conditions for the return of the refugees and displaced persons to their places of permanent residence are being destroyed, and yet it is precisely the solution of the refugee problem which is being touted as one of the main goals of the alliance.

The calls by the leaders of individual States of the alliance for the removal from power of the legitimately elected leadership of Yugoslavia are illegal and highly incendiary. The coverage in the mass media of the NATO States of the events in the Federal Republic of Yugoslavia is one-sided and biased, and the damage caused to that country is deliberately passed over in silence or minimized. At the same time radio and television transmitters in the territory of the Federal Republic of Yugoslavia are being systematically destroyed, in violation of the right freely to receive and disseminate information.

Finally – and this gives rise to particular concern – the militant calls by the NATO members to step up military action and carry on to a "victorious conclusion" are a flagrant violation of article 20, paragraph 1 of the International Covenant on Civil and Political Rights, which states: "Any propaganda for war shall be prohibited by law".

On the basis of these facts, and also of the agreement reached in OSCE at the summit level, that is to say with the participation of the heads of State and Government of the NATO countries, that those who violate international humanitarian law shall bear personal responsibility for their actions, the Russian Federation has requested information on what responsibility has been borne or will be borne by persons directly or indirectly involved in the above-mentioned violations. We expect the NATO countries to provide their assessments of civilian casualties resulting from the actions of the alliance, and of the damage to the economy of the Federal Republic of Yugoslavia. We would also like to know what measures the NATO members intend to take, and when, to stop and correct the overt, flagrant and continuing violation of the obligations they have undertaken, and how they plan to compensate for the economic and other damage to Yugoslavia and its citizens after the halting of military action against this sovereign member State of OSCE.

We note once again: the Kosovo crisis, like any other similar situations, cannot be resolved by methods using force. Violence engenders violence. The achievement of lasting and just peace in the twenty-first century is possible only by peaceful means, through patient, painstaking and, if necessary, protracted political and diplomatic work. This is the goal of the foreign policy of the Russian Federation, and we call on all the other members of the international community to support it.

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**Security Council**

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GENERAL ASSEMBLY
Fifty-third session
Agenda item 64
MAINTENANCE OF INTERNATIONAL SECURITY - PREVENTION OF THE VIOLENT DISINTEGRATION OF STATES

SECURITY COUNCIL
Fifty-fourth year

## Letter dated 14 April 1999 from the Permanent Representative of Cuba to the United Nations addressed to the Secretary-General

I have the honour to attach the texts of the statements issued on 25 March and 7 April 1999 by the Ministry of Foreign Affairs of the Republic of Cuba in connection with the aggression by the North Atlantic Treaty Organization against the Federal Republic of Yugoslavia (see annexes I and II).

I should be grateful if you would have this letter and its annexes circulated as a document of the General Assembly under agenda item 64 and of the Security Council.

(Signed) Bruno RODRÍGUEZ PARRILLA
Ambassador
Permanent Representative

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Annex I

[Original: Spanish]

Statement issued on 25 March 1999 by the Ministry of Foreign Affairs of the Republic of Cuba on the NATO aggression against Yugoslavia

After a number of painful and much-manipulated political events, lengthy armed clashes and complex and non-transparent negotiations on the Kosovo issue, the North Atlantic Treaty Organization (NATO) finally launched its announced brutal air attack on the Federal Republic of Yugoslavia, whose peoples were those that fought most heroically in Europe against the Nazi hordes in the Second World War.

This action, intended to "punish the Yugoslav Government", is being conducted outside of the United Nations Security Council, where the United States of America, as primary promoter of the aggression, would have had to face opposition from other members who, from the very beginning, have strongly opposed any action which would infringe on the prerogatives granted to that body by the Charter of the United Nations in order to guarantee international peace and security and which, by so doing, would entail a violation of the principles and norms of international law.

The war launched by NATO rekindles mankind's justifiable fears of the development of an outrageous unipolarity, ruled by a warmongering Empire self-appointed as a global police force and capable of dragging its political and military allies into the most insane actions, as was the case at the beginning and during the first half of this century with the creation of warlike blocs that swept Europe with destruction, death and poverty, dividing and weakening it while the United States strengthened its economic, political and military might.

It might be wondered whether the use and abuse of force will solve the world's problems and protect the human rights of the innocent people now dying under the missiles and bombs falling on a small country in a learned, civilized Europe.

The Ministry of Foreign Affairs of the Republic of Cuba strongly condemns this United States-led NATO aggression against Yugoslavia and denounces the dark plots which have led to the continued prevalence of such uncivilized practices in the international political arena as a means of promoting the interests of those who persist in imposing their will on every State of the planet in the name of a new, ignominious world order created in its image and likeness.

At this time of grief and pain for the peoples of Yugoslavia, Cuba calls on the international community to mobilize its efforts to put an immediate end to this unjustified aggression and to prevent a further, even more regrettable loss of innocent lives, in order to allow this nation to resume the peaceful path of negotiating a solution to its internal problems, a matter solely and exclusively dependent on the sovereign will and self-determination of the Yugoslav peoples.

Cuba is concerned that the aggression may cause the conflict to spread unpredictably to other States of the region as a result of both the expansion of violence and its disturbing social and human consequences.

The ridiculous effort to impose solutions by force is incompatible with any civilized reasoning and with the basic principles of international law. The tough stance of those who try to justify this new crime is merely a reflection of the moral incapacity to accommodate ideas and policies, which go against their own interests, of the peoples involved in the conflict and the desire to impose the imperial will on them. Pursuit of this policy could lead to an unpredictable outcome for Europe and for all of humankind.

## Annex II

[Original: Spanish]

### Statement issued on 7 April 1999 by the Government of Cuba

Various views wrongly attributed to the Cuban Government have been disseminated with regard to the United States announcement of its decision to house Kosovar refugees in the territory of the Guantánamo Naval Base. It must therefore be made clear that such views are strictly personal.

The Government of Cuba has made absolutely no public statement on the issue.

From the very beginning, the Cuban Government's position has been totally different from what has been published. Bearing in mind that such a sensitive issue should be handled with all due discretion, it has refrained from making its views public.

In order to prevent useless misunderstandings regarding our country's position, we shall limit ourselves at present to stating the following:

From the moment that the current crisis broke out in Yugoslavia and NATO embarked on its brutal air strikes on the Federal Republic of Yugoslavia, Cuba has strictly followed a principled policy of forceful condemnation of the aggression.

Within the limits of its modest capacities and without any desire for publicity or an active role, Cuba has remained convinced that the Serbs would stand up to the devastating attack by NATO; that no weapons system would be able to crush the resistance of those who, assailed from air and land but supported by their people, were willing to fight to the end, using adequate tactics to confront modern military technology; that they had already proved their bravery and fighting ability against the Nazi hordes during the Second World War; and that NATO had embarked on a course that would lead to an endless struggle and an unjustifiable, useless genocide in the very heart of Europe which the public opinion of that continent, and of the world, would not tolerate.

In every case, we have also conveyed to the appropriate persons our belief that the combat which had been initiated could be resolved only through political, rather than military, means and that, in view of the geographic and other realities, it was only through non-conventional (i.e., nuclear) weapons, whose use was inconceivable, that military support could be provided to Serbia from abroad.

Each passing day has demonstrated the validity of the Cuban position.

The first great tragedy, following the air strike unleashed against Yugoslavia on the night of 24 March and the immediate aggravation of the Kosovo conflict, was the massive exodus of the civilian population which the media have revealed to the world.

Hundreds of thousands of people, including children, the elderly, women and men, are already suffering the consequences of the fighting visibly and dramatically, and millions of other civilians in Kosovo, Serbia and Montenegro have been living for the past two weeks in fear of the deafening explosions, destruction, fires and inevitable loss of human lives, both civilian and military, from the rain of bombs and missiles falling from all sides on the remainder of what was, until a few years ago, the prosperous, united Socialist Republic of Yugoslavia.

The mid-winter destruction of a thermoelectric plant that supplied electricity and heat to a million people and the assaults on similar facilities which provide vital services to the entire population are far from being a military objective and are becoming a case of genocide.

This statement in no way seeks to establish responsibility for what is happening or for the events leading thereto.

The innocent victims, whatever their nationality, ethnic group or religion, should receive every assistance both within and outside of Yugoslavia. Cuba resolutely supports such humanitarian aid, whatever the source. It will make no objection to, and is even willing to cooperate in, such efforts, wherever necessary, to the extent of its means.

Cuba supports with equal determination the urgent search for a reasonable, just solution to the conflict.

The war should end before the occurrence of even greater human, economic, political and military disasters of benefit to no one in the world.

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Fifty-third session
Agenda item 19
ADMISSION OF NEW MEMBERS TO THE
UNITED NATIONS

SECURITY COUNCIL
Fifty-fourth year

# Application of the Republic of Kiribati for admission to membership in the United Nations

## Note by the Secretary-General

In accordance with rule 135 of the rules of procedure of the General Assembly and rule 59 of the provisional rules of procedure of the Security Council, the Secretary-General has the honour to circulate herewith the application of the Republic of Kiribati for admission to membership in the United Nations, contained in a letter dated 14 April 1999 from the President of the Republic of Kiribati to the Secretary-General.

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ANNEX

Letter dated 14 April 1999 from the President of the Republic of Kiribati to the Secretary-General

In accordance with the provisions of Article 4 of the Charter of the United Nations, and with those of rule 58 of the provisional rules of procedure of the Security Council and rule 134 of the rules of procedure of the General Assembly, I have the honour on behalf of the Government of the Republic of Kiribati and in my capacity as Beretitenti (President) of the Republic of Kiribati, to request the admission of the Republic of Kiribati as a Member of the United Nations.

I would accordingly be grateful if you would arrange for this application to be placed before the Security Council and the General Assembly for their consideration.

For this purpose, the attached declaration is made in pursuance of rule 58 of the provisional rules of procedure of the Security Council and rule 134 of the rules of procedure of the General Assembly.

(Signed) Teburoro TITO
Beretitenti (President)

## Declaration

In relation to the request for admission of the Republic of Kiribati as a Member of the United Nations, I have the honour to declare, in the name of the Republic of Kiribati and in my capacity as Head of Government of the Republic, that the Republic of Kiribati accepts the obligations set out in the Charter of the United Nations and solemnly undertakes to fulfil them.

(Signed) Teburoro TITO
Beretitenti (President)

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GENERAL ASSEMBLY
Fifty-third session
Agenda item 19
ADMISSION OF NEW MEMBERS TO THE
UNITED NATIONS

SECURITY COUNCIL
Fifty-fourth year

# Application of the Republic of Nauru for admission to membership in the United Nations

## Note by the Secretary-General

In accordance with rule 135 of the rules of procedure of the General Assembly and rule 59 of the provisional rules of procedure of the Security Council, the Secretary-General has the honour to circulate herewith the application of the Republic of Nauru for admission to membership in the United Nations, contained in a letter dated 16 April 1999 from the President and Minister for External Affairs of the Republic of Nauru to the Secretary-General.

ANNEX

Letter dated 16 April 1999 from the President and Minister for External Affairs of the Republic of Nauru to the Secretary-General

In accordance with the provisions of Article 4 of the Charter of the United Nations, and with those of rule 58 of the provisional rules of procedure of the Security Council and rule 134 of the rules of procedure of the General Assembly, I have the honour and am duly authorized, on behalf of the Government of the Republic of Nauru, to request the admission of the Republic of Nauru as a Member of the United Nations.

I would accordingly be grateful if you would arrange for this application to be placed before the Security Council and the General Assembly for their consideration.

For this purpose, the attached declaration is made in pursuance of rule 58 of the provisional rules of procedure of the Security Council and rule 134 of the rules of procedure of the General Assembly.

(Signed) Bernard DOWIYOGO
President and Minister
for External Affairs

## Declaration

In connection with the application by the Republic of Nauru for membership in the United Nations,

And in accordance with the requirements contained in rule 58 of the provisional rules of procedure of the Security Council and rule 134 of the rules of procedure of the General Assembly,

I, Bernard Dowiyogo, have the honour and am duly authorized, on behalf of the Republic of Nauru, to declare that the Republic of Nauru accepts the obligations contained in the Charter of the United Nations and solemnly undertakes to fulfil them.

(Signed) Bernard DOWIYOGO
President and Minister
for External Affairs

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26 April 1999

ORIGINAL: ENGLISH

LETTER DATED 26 APRIL 1999 FROM THE CHARGÉ D'AFFAIRES A.I.
OF THE PERMANENT MISSION OF YUGOSLAVIA TO THE UNITED NATIONS
ADDRESSED TO THE SECRETARY-GENERAL

I have the honour to forward herewith an assessment of the North Atlantic Treaty Organization (NATO) aggression against the Federal Republic of Yugoslavia based on the standards of the internal legal system of the Federal Republic of Yugoslavia and international law made by the Federal Constitutional Court of the Federal Republic of Yugoslavia (see annex).

I should be grateful if you would have the present letter and its annex circulated as a document of the Security Council.

(Signed) Vladislav JOVANOVIC
Chargé d'affaires a.i.

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Annex

Assessment of the North Atlantic Treaty Organization (NATO) aggression against the Federal Republic of Yugoslavia based on the standards of the Federal Republic of Yugoslavia's internal legal system and international law

The Federal Constitutional Court composed of President Milomir Jakovljevic and Justices Milan Vesovic, Arandjel Markicevic, Master of Jurisprudence, Dr. Milutin Srdic and Dr. Branislav Tomkovic, acting in accordance with its constitutional function to protect constitutionality and legality, human rights and freedoms established by the Constitution of the Federal Republic of Yugoslavia, international treaties and generally accepted rules of international law, and in accordance with the provisions of Article 16, paragraph 2, of the Constitution of the Federal Republic of Yugoslavia, at its session on 18 April 1999,

established

the following regarding the armed aggression of the North Atlantic Treaty Organization (NATO) against the Federal Republic of Yugoslavia:

1. On 24 March 1999, NATO launched an armed assault against the Federal Republic of Yugoslavia, in contravention of the Charter of the United Nations. NATO has undertaken massive and continuing air strikes against the population, towns and villages, economic and other civilian facilities, which constitute an act of aggression against a sovereign State Member of the United Nations.

2. By these continuing acts, the aggressor has violated the Charter of the United Nations, one of the main objectives of which is to maintain international peace and security. The Charter of the United Nations specifies that only the United Nations is authorized to take efficient collective measures to prevent and eliminate threats to peace, acts of aggression and other violations of peace. Under the Charter, only the Security Council is competent to decide whether there is an imminent threat to peace, violation of peace or aggression, to make recommendations and to take decisions on measures to be taken, including the use of armed force pursuant to the principles established by the Charter, in order to maintain the established international peace and security.

In accordance with its own acts, NATO may resort to arms, or armed force, but only in case of armed attack against a NATO member State.

Rules and principles of international law do not, in any case whatsoever, give the authority to the NATO alliance or any other military or civilian authorities and organizations to apply political criteria and freely assess that they can use force to kill people and destroy goods. NATO is now destroying goods that are invaluable and essential for the life and work of the Yugoslav citizens.

According to the Charter of the United Nations, the United Nations Organization and its Member States are obliged to seek to implement the above-mentioned objectives in accordance with the principles of sovereign equality of all members, so as to ensure the exercise of the rights and obligations under the Charter of the United Nations.

The Charter of the United Nations forbids the use of force against a sovereign State that has not committed aggression against another State. This arises from the principles established by the provisions of Article 2, paragraph 1, of the Charter, which stipulate the obligations of the members of the United Nations:

- To resolve their international disputes by peaceful means, so that international peace and security, and justice, are never violated (para. 3);

- For the member States to refrain in their international relations from the use or threat of force or the use of force against the territorial integrity or political independence of any State (para. 4);

- Not to interfere, in any manner, in matters falling within internal competence of each State, and not to request from member States to seek to resolve such matters on the basis of the Charter of the United Nations (para. 7).

In committing the aggression, NATO circumvented the competent authorities of the United Nations as the only organization authorized to take prescribed measures in the case of imminent threat to peace, violation of peace and aggression (Article 39 of the Charter).

3. With their activities preceding the aggression and by this act of aggression itself, NATO members and certain European countries within the Partnership for Peace, have violated the 1975 Helsinki Final Act of the Conference on Security and Cooperation in Europe, which stipulates that member States shall:

- Refrain from any interference, direct or indirect, individual or collective, in internal and external affairs falling within the national competence of individual States, regardless of their mutual relations, and that they shall refrain from any form of armed intervention or threat with armed intervention against another member State, as well as from undertaking political economic or other coercion;

- Refrain from the provision of direct or indirect assistance to terrorist activities or sabotage or other activities aimed at forceful overthrow of the regime of another member State;

- Respect the principle of territorial integrity of member States;

- Respect the principle of peaceful settlement of disputes;

- Undertake to condemn and eradicate terrorism;

- Contribute to the facilitation of free and broader dissemination of all types of information and promotion of conditions of work of journalists.

4. By its armed intervention, NATO is killing and hurting innocent citizens of the Federal Republic of Yugoslavia, members of all ethnic communities, jeopardizing their health, destroying bridges and railroads, railway tracks, trains, airport and port facilities, electric power plants and transmission lines, telecommunications facilities, water supply and sewerage systems, schools and universities, children's institutions, hospitals and health institutions, social welfare institutions, cultural and religious facilities, plants and factories, oil refineries and gas pipelines, chemical plants, television buildings, stations and transmitters, towns and villages, and polluting rivers and soil, with unfathomable environmental consequences. As a result, the population is forced to leave, after which refugee convoys are bombed.

5. The act of aggression and its enormous tragic consequence violate the rules and principles of the Universal Declaration of Human Rights:

- The right to life, freedom and personal security, by massive killings, infliction of bodily injuries and erosion of health of a large number of the citizens of the Federal Republic of Yugoslavia (article 3);

- The right to posses property and not to be arbitrarily deprived of property, by massive destruction and infliction of damage on the property of legal and natural persons in the territory of the Federal Republic of Yugoslavia (article 17);

- The right to freedom of opinion and expression, as well as the right to request, receive and disseminate information and ideas via any media and regardless of boundaries (article 19);

- The right to exercise cultural rights essential for human dignity and free development of personality (article 22);

- The right to work, to freely choose one's profession, to be provided with fair and satisfactory work conditions and to be protected against unemployment (article 23);

- The right to schooling and education (article 26).

The act of aggression has also violated the standards of the International Covenant on Civil and Political Rights (articles 1, 5, 10 and 15), the International Covenant on Economic, Social and Cultural Rights (articles 3, 10, 12, 13, 14, 15, 16), the acts of the 1990 Charter of Paris for a New Europe regarding human rights, democracy and rights of States, friendly relations among States, security, the human dimension, environment and culture, the European Convention for the Protection of Human Rights and Fundamental Freedoms and other documents of international law.

The unprecedented aggression has made it impossible for the citizens of the Federal Republic of Yugoslavia to move in the territory of their own State, to use their own property by themselves or together with other people, to exercise economic and natural rights essential for their dignity and their personal development in accordance with the organization and resources of their State. At the same time, the right to the protection of children and family, the citizen's right to enjoy cultural goods, to participate in scientific progress and to enjoy goods arising therefrom, and an array of other interconnected rights and freedoms, have been violated.

6. By its mass destruction of towns and villages and killings of civilians, NATO has committed war crimes as serious violations of rules of war law, which are prohibited by the 1899-1907 Hague Conventions and the Geneva Convention Relative to the Protection of Civilian Persons in Time of War (articles 50, 51, 130 and 147), and the 1948 Convention on the Prevention and Punishment of the Crime of Genocide.

7. The principles, rules and norms of the Declaration on the Rights of Persons Belonging to National or Ethnic, Religious and Language Minorities, and the Framework Convention for the Protection of National Minorities had been ipso jure and ipso facto ensured and implemented in the Federal Republic of Yugoslavia in the period preceding the aggression. This is confirmed by the fact that the Federal Constitutional Court had not received any reasonable request for the protection of national minorities, which is a prerequisite of addressing the European Court for Human Rights. Proceeding from the fact that the Federal Republic of Yugoslavia is a multi-ethnic community, the Constitution of the Federal Republic of Yugoslavia and constitutions of the member republics contained all normative solutions envisaged by the said international legal acts. In this respect, the Federal Constitutional Court states that the Federal Republic of Yugoslavia has provided all the necessary prerequisites of, and created all conditions for, the exercise of the established national minority rights. Members of national minorities enjoy the right to their own national or ethnic, cultural, religious and language identify in the territory where they live, the right to use their own language and scripts, to practice their own culture and religion, to perform religious ceremonies, to establish their own associations. They are guaranteed equality before the law and equal legal protection; traditional local names of streets and other signs are written in local languages; the freedom of expression includes the freedom of conviction and reception and dissemination of information and ideas in minority languages. They are guaranteed the right to establish and use their own mass media, cultural, educational, language and religious institutions, and to establish and foster unhindered relations and maintain peaceful contacts with co-nationals outside the Yugoslav borders, as well as the right to participate at the national, regional and local levels.

All of the above-mentioned rights are exercised in the authorities of the Federal Republic of Yugoslavia, in the member republics, in the autonomous provinces of Vojvodina and Kosovo and Metohija, that is, in their local self-government authorities.

Nevertheless, under the binding international law, each member of a national minority is obliged to respect the national legislation and the rights

of others, especially of members of the majority and other national minorities (article 20 of the Framework Convention for the Protection of National Minorities, Strasbourg, 1995).

The aggressor's acts cannot contribute to the exercise of the established rights of national minorities. On the contrary, they impede the exercise not only of the rights of national minorities but also of fundamental universal civil liberties and rights and render such exercise impossible.

8. Based on the above-stated, the Federal Constitutional Court has established that the unjust, illegitimate and illegal NATO aggression against the Federal Republic of Yugoslavia has violated international public law and the international legal order. The imposition of unlawfulness instead of law has also jeopardized peace in the international community at large.

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27 April 1999

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LETTER DATED 27 APRIL 1999 FROM THE CHARGE D'AFFAIRES A.I OF THE PERMANENT MISSION OF YUGOSLAVIA TO THE UNITED NATIONS ADDRESSED TO THE PRESIDENT OF THE SECURITY COUNCIL

I have been instructed by my Government to inform that the Yugoslav side has fully complied with the provisions of all relevant Security Council resolutions since the establishment of the blue and yellow demilitarized zones in the area of Prevlaka, whereas the Croatian side has transformed the yellow zone into an area over-saturated with military facilities and personnel. On countless occasions, the Croatian side has violated the United Nations-mandated regime in the blue zone which is under the inviolable control of the United Nations Mission of Observers in Prevlaka (UNMOP) of which all relevant Security Council factors are well aware, including the authors of the most recent report of the Secretary-General of 9 April 1999 (S/1999/404).

To defend itself from the aggression of the North Atlantic Treaty Organization (NATO), the Federal Republic of Yugoslavia has declared the state of war. With the exclusive aim of implementing and carrying out the regulations adopted in connection with the state of war and the defence of the country from outside aggression, the Army of Yugoslavia has set up a checkpoint in the yellow zone numbering 20 men. The setting up of the checkpoint does not threaten the security of UNMOP members or any other person. The Federal Republic of Yugoslavia continues to fully respect the UNMOP mandate and, in the conditions of the state of war and the defence from aggression, takes every measure to ensure its continued and unhindered functioning. Once the aggression against the Federal Republic of Yugoslavia is ceased, the need for this checkpoint will also cease to exist.

In that connection, I would like to point out that on 23 April 1999, the Commander of the Yugoslav Navy received the Chief Military Observer and advised him of all relevant data related to the setting up of the checkpoint of the Army of Yugoslavia. On that occasion the request of UNMOP that its office at Herzeg Novi, abandoned by UNMOP at the beginning of the aggression of its own accord and without any pressure from the Yugoslav side whatsoever, continue work was positively resolved. The competent Yugoslav authorities also reiterated the guarantee of full safety to the members of the Mission and agreed to establish a direct permanent connection of the competent command of the Army of Yugoslavia and UNMOP.

It is evident from the aforementioned that the protest of the Permanent Mission of the Republic of Croatia to the United Nations of 20 April 1999 is groundless and calculated to use the NATO brutal aggression against the Federal Republic of Yugoslavia to achieve its own goals. Once the criminal aggression of NATO has ceased, the Federal Republic of Yugoslavia will resume the talks aimed at finding a mutually acceptable solution of this disputed territorial issue.

I would be grateful if you would have the present letter circulated as a document of the Security Council.

(Signed) Vladislav JOVANOVIC
Charge d'affaires a.i.

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# REVIEW AND ASSESSMENT OF THE IMPLEMENTATION OF THE HUMANITARIAN PROGRAMME ESTABLISHED PURSUANT TO SECURITY COUNCIL RESOLUTION 986 (1995) (DECEMBER 1996-NOVEMBER 1998)

## I. INTRODUCTION

1. The Security Council was informed in January 1999 that the Office of the Iraq Programme had initiated a review and assessment of the implementation of the humanitarian programme established pursuant to Security Council resolution 986 (1995), covering the period from December 1996 to November 1998, with the full participation of all the concerned agencies and programmes of the United Nations system, the relevant departments and offices of the United Nations Secretariat, and the United Nations Office of the Humanitarian Coordinator in Iraq, which acted as the focal point for coordinating the review and assessment in Iraq.

2. The Security Council already has before it the report of the panel on humanitarian issues in Iraq (S/1999/356, annex II), established pursuant to the decision taken by the Council on 30 January 1999 (see S/1999/100).

3. At the outset, I should like to take this opportunity to pay tribute to Ambassador Celso L. N. Amorim of Brazil, for his valuable contribution and distinguished chairmanship of the three panels on Iraq established by the Security Council.

## II. ADOPTION OF SECURITY COUNCIL RESOLUTION 986 (1995)

4. On 14 April 1995, concerned by the serious nutritional and health situation of the Iraqi population, convinced of the need to provide, as a temporary measure, for the humanitarian needs of the Iraqi people until the fulfilment by Iraq of the relevant Security Council resolutions, the Council, acting under Chapter VII of the Charter of the United Nations, adopted resolution 986 (1995). The Council, inter alia, authorized the sale of Iraqi petroleum and petroleum products sufficient to produce a sum not exceeding a total of one billion United States dollars every 90 days for the purposes set out in the resolution, and subject to certain conditions enumerated in the resolution.

5. The Security Council also took into account some of Iraq's concerns over resolutions 706 (1991) of 15 August 1991, 712 (1991) of 19 September 1991 and 778 (1992) of 2 October 1992, by reaffirming the commitment of all Member States to the sovereignty and territorial integrity of Iraq. As reflected in the aforementioned resolutions, from the outset, the Security Council gave early recognition to the suffering of the Iraqi civilians under a very rigorous sanctions regime and, concerned with the serious nutritional and health situation of the Iraqi civilian population, laid down the foundation for establishing a humanitarian programme.

6. On 15 May 1995, however, the Secretary-General was informed by the Minister for Foreign Affairs of Iraq that his Government would not implement resolution 986 (1995) because it objected, inter alia, to the proportion of petroleum to be exported via the Kirkuk-Yumurtalik pipeline pursuant to paragraph 6 of that resolution and to the modalities for distribution of humanitarian relief in three northern governorates (see S/1995/495). In paragraph 8 (b) of resolution 986 (1995), the Council had decided to complement, in view of the exceptional circumstances prevailing in the three northern governorates of Dahuk, Erbil and Sulaymaniyah, the distribution by the Government of Iraq of goods imported under the resolution, in order to ensure an equitable distribution of humanitarian relief to all segments of the Iraqi population throughout the country, by providing between US$ 130 million and US$ 150 million every 90 days to the United Nations Inter-Agency Humanitarian Programme operating within the sovereign territory of Iraq, to finance imported goods, specifically medicine, health supplies, foodstuffs and materials and supplies for essential civilian needs.

7. On 19 January 1996, after a series of meetings with the Iraqi authorities, held pursuant to paragraph 13 of resolution 986 (1995), the Secretary-General was informed by the Deputy Prime Minister of Iraq of the willingness of the Iraqi Government to enter into discussions with the United Nations Secretariat concerning the issue of oil for food.[1] The discussions on the implementation of resolution 986 (1995) started on 6 February 1996 and, pursuant to paragraph 13 of the resolution, a memorandum of understanding between the Secretariat and the Government of Iraq was signed on 20 May 1996 (S/1996/356). Pursuant to the memorandum of understanding, the distribution of humanitarian supplies in the three northern governorates of Dahuk, Erbil and Sulaymaniyah is undertaken by the United Nations Inter-Agency Humanitarian Programme on behalf of the Government of Iraq under the distribution plan, with due regard to the sovereignty and territorial integrity of Iraq in accordance with annex I to the memorandum of understanding.

8. On 18 July 1996, the Secretary-General approved the distribution plan submitted by the Government of Iraq for the purchase and distribution of humanitarian supplies (see S/1996/978). On 9 December 1996, the Secretary-General informed the Security Council that all the actions necessary to ensure the effective implementation of that resolution had been completed and that the Secretariat stood ready to proceed with the implementation (see S/1996/1015). Accordingly, the resolution came into force at 0001 Eastern Standard Time on 10 December 1996, almost 20 months after the adoption of resolution 986 (1995).

9. The reports of the Secretary-General pursuant to resolution 986 (1995) on the implementation of the programme during phase I (10 December 1996 to 7 June 1997) are contained in documents S/1997/206 and S/1997/419. The reports on the implementation of the programme during phase II (8 June to 4 December 1997) are contained in documents S/1997/685 and S/1997/935; for phase III (5 December 1997 to 29 May 1998) in documents S/1998/194 and Corr.1 and S/1998/477; and for phase IV (30 May to 23 November 1998) in documents S/1998/823 and S/1998/1100. The 90-day report on phase V (24 November 1998 to 23 May 1999) is contained in document S/1999/187.

## III. ADOPTION OF SECURITY COUNCIL RESOLUTION 1153 (1998)

### A. Development of the programme and greater emphasis on multisectoral concerns

10. In my report pursuant to resolution 1111 (1997) submitted to the Security Council on 28 November 1997 (S/1997/935), I stated that, even if all supplies arrived on time, what was being provided under resolutions 986 (1995) and 1111 (1997) would be insufficient to address, even as a temporary measure, all the humanitarian needs of the Iraqi people. In particular, I stressed the extent to which a genuine improvement in the nutritional status of the population also depended on concomitant improvements in other sectors. Accordingly, given the scale of urgent humanitarian requirements, I recommended that the Council might wish to re-examine the adequacy of the revenues as envisaged by resolutions 986 (1995) and 1111 (1997) and to consider the possibility of increasing the revenues authorized under the programme to meet Iraq's priority humanitarian requirements.

11. By its resolution 1143 (1997) of 4 December 1997, the Security Council welcomed my intention to submit a supplementary report to the Council, and expressed its willingness, in the light of my recommendations, to find ways of improving the implementation of the humanitarian programme and to take such action over additional resources as needed to meet priority humanitarian requirements of the Iraqi people, as well as to consider an extension of the time-frame for the implementation of the resolution.

### B. Supplementary report of the Secretary-General (S/1998/90)

12. On 1 February 1998, I submitted to the Council my supplementary report (S/1998/90) pursuant to resolution 1143 (1997), which, inter alia, contained a list of projects envisaged in addition to the activities covered under phase III, requiring an additional allocation of $2.115 billion.

13. The programme review conducted by the United Nations used a "bottom up" approach to review specific sectoral requirements, according to varying levels of priority. At the same time sectoral requirements were set within a multisectoral context in which the overall impact of specific projects was to be enhanced by complementary work in other sectors. Thus a threefold approach was devised to enhance the nutritional status of the population, namely, an enhanced food basket to provide a guaranteed higher level of daily caloric intake,

including, for the first time, animal protein; the introduction of a targeted nutrition programme for the 15 governorates of the centre and south of Iraq, aimed at children, pregnant women and lactating mothers; and enhanced support for domestic food production to increase the amount of other foodstuffs available on the market. The programme review attempted to identify and cost those "consumable" inputs which were required on a regular basis and one-time expenditures on equipment and materials needed to arrest the decline in infrastructure. United Nations observers emphasized the extent to which deteriorating infrastructure in health facilities, the water and sanitation network and, in particular, the electricity sector was threatening to undermine the impact of supplies already authorized. The programme review recognized that the scale and time-frame required for major rehabilitation projects in power generation and distribution were beyond the scope of the humanitarian programme envisaged under resolution 986 (1995). Therefore the review proposed no specific projects or additional sectoral allocation and recommended instead that the Council consider the issue following a joint survey to be conducted by United Nations observers and the Government of Iraq.

14. In my report, I stated that, should the Council approve my recommendations regarding the enhanced humanitarian programme, the total cost of the humanitarian programme undertaken under resolution 986 (1995) would be $3.436 billion, as compared with the $1.32 billion made available under the current arrangements for the first three phases of the programme. Accordingly, the application of paragraph 8 of resolution 986 (1995) would require the export of $5.2 billion worth of oil, to provide the $3.436 billion required for the implementation of the programme. It may be recalled that, as the Government had not participated in the programme review, it had also not provided at the time of the preparation of the supplementary report any detailed information to the United Nations on its oil export capacity. Accordingly, the recommendation regarding the funding level for the enhanced programme was made in the absence of any assessment concerning Iraq's ability to generate the revenue envisaged.

15. In addition to my recommendations on enhancing the humanitarian programme, I also submitted recommendations regarding the improvement of the whole process of contracting, processing applications, approvals, procurement and shipment and distribution of items concerned (S/1998/90, paras. 49-67).

## C. Enhanced humanitarian programme

16. On 20 February 1998, the Security Council, in its resolution 1153 (1998), inter alia, welcomed the recommendations contained in the supplementary report (S/1998/90, paras. 49-67), and raised the ceiling on oil sales to a total of $5.256 billion during a 180-day period. The Council also requested the Secretary-General to establish a group of experts to determine in consultation with the Government of Iraq whether Iraq was able to export petroleum or petroleum products sufficient to produce the total sum ($5.256 billion), and expressed its readiness to take a decision to authorize, on the basis of the recommendations of the Secretary-General, the export of the necessary equipment to enable Iraq to increase the export of petroleum or petroleum products.

17. Discussions between the United Nations and the Government of Iraq on the recommendations contained in the supplementary report and the implementation of resolution 1153 (1998) were held between March and May 1998 in both New York and Baghdad. Although the Government of Iraq had not agreed to participate formally in the programme review, the majority of the proposals advanced in the review had been discussed informally with the relevant Iraqi authorities and were incorporated in the enhanced distribution plan submitted by the Government of Iraq on 27 May 1998, pursuant to resolution 1153 (1998). On 29 May 1998, I approved the distribution plan, and a new 180-day period commenced at 0001 hours Eastern Standard Time on 30 May 1998 (see S/1998/446), with certain understandings spelled out in the letter dated 29 May 1998 from the Executive Director of the Iraq Programme addressed to the Permanent Representative of Iraq (ibid., annex I). The total amount required for the implementation of the enhanced distribution plan was $3.1 billion, including an allocation of $300 million for oil spare parts and equipment.

18. The Government was informed by the Executive Director of the Iraq Programme that the Secretary-General's acceptance of the enhanced distribution plan did not constitute an endorsement of either the budgetary allocation for telecommunications or of the specific items listed in annex VII to the plan. While recognizing that there might well be a need for telecommunications improvements to facilitate the distribution of humanitarian supplies exported to Iraq under the relevant Council resolutions, the Secretary-General would await, as agreed between the Government and the United Nations, the outcome of a joint technical review by United Nations experts and the relevant technical ministries of the Government of Iraq before taking a decision on the proposals concerned (S/1998/446, annex I). The joint technical reviews have been completed satisfactorily and I intend to approve a revised submission by the Government of Iraq in the context of the distribution plan for phase V, as soon as Iraq proposes an allocation for the proposed activities.

19. The enhanced distribution plan provided, in accordance with resolution 1153 (1998), greater detail on the objectives and priorities for each of the sectors. It also included details on priority requirements in the categorized lists contained in the sectoral annexes. The Government of Iraq maintained its objection, however, to the separate treatment for the electricity sector and refused to implement paragraph 11 of resolution 1153 (1998), in which the Secretary-General was requested to provide the Security Council with a specific assessment on that sector. The Government therefore insisted on the inclusion of the electricity sector as part of the overall allocation.

20. Regrettably, most of the objectives of the enhanced distribution plan could not be achieved, primarily owing to a substantial shortfall in revenues received during phase IV. As mentioned above, I had proposed a funding level of $3.436 billion for the implementation of the enhanced humanitarian programme (S/1998/90). The approved enhanced distribution plan required funding of $3.1 billion, including a $300 million allocation for oil spare parts and equipment, which was not provided for in my proposed funding level. Therefore, from the outset the funding level of phase IV was $636 million less than that proposed in my supplementary report. Further, owing to the substantial drop in the price of Iraqi crude oil, only $3.027 billion of gross oil revenues were generated during the phase. After deduction of $113 million in payments for

pipeline fees, as well as allocations as set out in paragraph 8 of resolution 986 (1995), only $1.9 billion was available for the humanitarian programme and the procurement of spare parts and equipment for the Iraqi oil industry. During each of the first three phases, the funding level for the implementation of the programme was $1.32 billion. Owing to the substantial shortfall of funds available for the implementation of phase IV, 43 previously approved applications with a total value of $144,391,015 had to be transferred from phase IV for funding under phase V, and 130 applications with a total value of $288,548,030, received during phase IV, will be circulated under phase V, imposing further pressure on the available funds for the implementation of the programme during the current phase. Although the current higher level of oil prices is welcome and will go some way towards funding the implementation of the programme during the current phase, there is absolutely no assurance that the current price of oil will be sustained.

21. Information on the funding level approved for distribution plans for phases I to V and the actual levels of revenues made available for funding purposes is provided in annex I to the present report.

## IV. REVENUE GENERATION

### A. Iraq's oil industry

22. Pursuant to resolution 1153 (1998), I submitted to the Security Council the summary of the report of the group of experts established pursuant to that resolution. The group of experts visited Iraq from 12 to 22 March 1998, and were accompanied by two United Nations oil overseers.

23. While the Government of Iraq had estimated the capacity of its oil industry sufficient to meet a $4 billion target during an envisaged 180-day period, the group of experts was less optimistic. The group's overall impression was that the oil industry of Iraq was in a lamentable state and that the productivity of the developed oil fields had been seriously reduced, in some cases irreparably, during the past two decades. The group also stated that a sharp increase in production without concurrent expenditure on spare parts and equipment would severely damage oil-containing rocks and pipeline systems, and would be against accepted principles of good oil husbandry. The group estimated that a total expenditure of approximately $1.2 billion would be required to reach production levels of 3 million barrels per day, on a sustainable basis, with due regard to environmental and pollution issues. The group also considered that the request by the Government for $300 million for spare parts - $210 million for upstream operations and $90 million for downstream operations - was reasonable and that it reflected only the essential and most urgent needs of the Iraqi oil industry.

24. In its resolution 1175 (1998) of 19 June 1998, the Council accepted my recommendation (S/1998/330), and authorized the export to Iraq of the necessary oil spare parts and equipment up to a total of $300 million.

25. Pursuant to resolution 1210 (1998) of 24 November 1998, I dispatched the group of experts again to Iraq in December 1998, to ascertain the current requirements for oil spare parts and equipment in relation to Iraq's ability to

sustain the current export capacity of crude oil, and also to review and further assess the potential for increased exports. In a letter dated 29 December 1998 to the President of the Security Council (S/1998/1233), I stated that the report submitted by the experts on their visit to Iraq from 13 to 16 December described the further deterioration of Iraq's capacity to produce and export oil. Since the previous visit by the group of experts to Iraq, the predicted decline in the overall oil production capacity of Iraq had continued at an estimated annual rate of 4 to 8 per cent. A significant number of wells had ceased production, both in the north and in the south, owing to the lack of water-removal facilities.

26. While it was envisaged that as from April 1999 oil spare parts and equipment would start to arrive in Iraq with a degree of regularity, in the view of the group of experts it is unlikely that a sustained increase in production will be achieved before March 2000. Traditionally, Iraq has exported up to 3.5 million barrels per day. While there may be peaks in crude oil exports from Iraq, the conclusion of the experts is that it is most unlikely that Iraq's oil exports can be maintained much above the current average of 1.9 million barrels per day in the foreseeable future. At this rate, reaching the $5.2 billion ceiling set in resolution 1153 (1998) would require an average price per barrel of $15.40, compared with the average of $10 per barrel obtained during phase V, as at 15 April 1999. Given that Iraqi oil sells at levels below various relevant benchmark crudes, reaching this revenue figure at current production rates would require further upward movement in the price of oil.

27. Information on oil exports and revenues received during phases I to IV, and as at 15 April 1999 for phase V, is provided in annex II to the present report.

Spare parts and equipment

28. The oil spare parts and equipment required by Iraq are not always readily available and in some cases must be custom made; they often have long delivery periods, as stated in the relevant contracts submitted for approval. However, there have been considerable difficulties experienced in receiving approval of applications submitted to the Security Council Committee established by resolution 661 (1990). Inconsistencies have also been noted in the manner in which applications for spare parts have been placed on hold, depending on the geographical location of the installations concerned. Another difficulty which may be encountered is the fact that, because of the substantial shortfall in revenues received during phase IV, the allocation for oil spare parts and equipment has been reduced from $300 million to $234.4 million, pursuant to the letter dated 23 February 1999 from the Permanent Representative of Iraq to the Executive Director of the Iraq Programme, proposing further revised allocations to fund the various sectors in the distribution plan for phase IV.

29. Information on the status of applications for oil spare parts and equipment as at 20 April 1999 is provided in annex III to the present report.

## B. United Nations Iraq Account

### ESB (53 per cent) and ESC (13 per cent) accounts

30. Pursuant to Security Council resolution 986 (1995) and subsequent related resolutions, the Secretariat established administrative and financial procedures for the implementation of the oil-for-food programme in accordance with the Financial Regulations and Rules of the United Nations. Following actual implementing experience, these procedures have been modified as necessary to meet evolving operational requirements. The establishment and use of these procedures have been the subject of regular monitoring and review by the Board of Auditors.

31. The allocation of proceeds of Iraqi oil sales authorized by resolution 986 (1995) and subsequent resolutions into seven funds is carried out by the Secretariat, in accordance with the distribution percentages detailed in the report of the Secretary-General of 25 November 1996 to the Security Council (S/1996/978). Updated information on the allocations made and corresponding status of expenditures is provided to the Security Council every 90 days, as required.

### Banking arrangements

32. The current balance in the United Nations Iraq Account held at the Banque nationale de Paris stands, as at 15 April 1999, at over $2.36 billion, which constitutes collateral for outstanding letters of credit. The over-concentration of funds at any single bank poses a serious investment risk. The lack of diversification of investments has also been noted by the Board of Auditors.

33. In addition, there are operational risks in depending on a single bank. The programme at present depends entirely on one bank for the confirmation of oil letters of credit and the issuance of letters of credit for the purchase of humanitarian goods and oil spare parts. Consequently, all suppliers depend on this bank for payment. Operational problems at the bank in any of the key processes - confirmation, issuance of letters of credit or payments - would disrupt the flow of humanitarian goods and oil spare parts to Iraq. To lessen the programme's dependency on one bank, and thus its vulnerability in the event of that bank experiencing operational problems, the Secretariat has recommended to the Government of Iraq to consider the use of additional banks.

34. Pursuant to the memorandum of understanding, the Iraqi authorities have been requested to designate a senior banking official to liaise with the Secretariat on all banking matters relating to the United Nations Iraq Account (S/1996/356, para. 13). However, a senior banking official has yet to be designated by the Government of Iraq to liaise between the United Nations Treasury and the Central Bank of Iraq. Doing so would ensure timely and correct communication.

35. At present, the Banque nationale de Paris and the Central Bank of Iraq communicate via telex. There is no way of confirming receipt of communication either way. Thus, if the Central Bank of Iraq sends a request for the issuance

of a letter of credit to the Banque nationale de Paris and the Banque does not receive the request, it will be known only if the beneficiary inquires about the status of the letter of credit. Further, it can take several days, even weeks, to receive a response from the Central Bank of Iraq to questions posed by the Banque nationale de Paris regarding certain clauses in the letter of credit, which lengthens the time required to process letters of credit. As suppliers will not ship humanitarian goods to Iraq until the letter of credit is finalized, this would delay the delivery of humanitarian supplies to Iraq. A designated banking official could effectively cut the delay caused by poor communications.

36. Another concern is the increasing number of approved contracts for which the Banque nationale de Paris has not received requests to issue letters of credit from the Central Bank of Iraq. On the other hand, the Central Bank of Iraq has been sending an increasing number of requests to issue letters of credit for approved contracts which have not yet been issued by the Office of the Iraq Programme, owing to lack of funds. This causes a situation wherein suppliers are informed of the approval of their contracts, but cannot prepare goods to be delivered because of the uncertainty as to when the letter of credit will be issued. A designated banking official informing the Central Bank of Iraq about which contracts are approved and which contracts require the issuance of letters of credit would facilitate the issuance of letters of credit soon after a contract is approved. Suppliers would then be able to assess when letters of credit will be issued and would be in a better position to prepare goods for delivery. Delivery periods would effectively be shortened.

37. The designated banking official might also assist the Office of the Iraq Programme by providing an updated list of signed contracts in Iraq, which would then be matched with the applications received in New York. This would ensure that the Secretariat receives only authorized contracts. Further, the Office of the Iraq Programme would be able to assess future applications bearing in mind anticipated funds, thus reducing the problem of approved contracts awaiting funds.

## V. OBSERVATION AND MONITORING ACTIVITIES

### A. Inspection and authentication of humanitarian supplies

38. The established procedures for the authentication of the arrival of humanitarian supplies at the entry points in Al-Walid, Trebil, Umm Qasr and Zakho continue to be implemented satisfactorily by the United Nations independent inspection agents, Cotecna Inspection S.A., which replaced Lloyd's Register on 1 February 1999. As from 28 September 1998, the independent inspection agents have also begun authenticating the arrival of humanitarian supplies procured under the United Nations Inter-Agency Humanitarian Programme for the three governorates of Dahuk, Erbil and Sulaymaniyah.

### B. Monitoring of oil spare parts and equipment

39. In January 1999, the first oil spare parts and equipment procured under resolutions 1153 (1998) and 1175 (1998) began arriving in Iraq. Pursuant to resolution 1175 (1998), the monitoring mechanism for oil spare parts and equipment is carried out by Saybolt Nederland BV, in conjunction with Cotecna Inspection S.A.

### C. United Nations observation mechanism

40. United Nations international observers are employed by the United Nations agencies and programmes, the Geographical Observation Unit within the Office of the Humanitarian Coordinator Iraq and the Multidisciplinary Observation Unit, which reports directly to the Executive Director of the Iraq Programme. In addition to international observers and national staff working with the humanitarian programme, the Office of the Iraq Programme has sent United Nations experts on mission to report on specific issues. The mandate of the United Nations observers is set out in resolution 986 (1995) and the memorandum of understanding. Overall, with the exception of the education sector, United Nations observers have received the cooperation of the Government in carrying out the tasks entrusted to them. In the case of the education sector, however, as indicated in previous reports, observation tasks have been hampered, mainly because of a lack of Ministry of Education escorts.

## VI. PROCEDURES FOR THE PROCESSING AND APPROVAL OF APPLICATIONS

41. Since the start of the implementation of the programme, there has been a constant review, and adjustments have been made to the whole process of contracting, processing of applications, approval by the Security Council Committee, procurement and shipment, as well as the timely distribution of humanitarian supplies, which constitutes a complex interdependent and highly sensitive chain of activities involving the Security Council Committee, the Government of Iraq and other Member States, the United Nations Secretariat and the agencies and programmes concerned, as well as private firms and financial institutions.

42. In my supplementary report, in addition to my recommendations regarding improvements to the content and presentation of the distribution plan as well as the directives given to the Office of the Iraq Programme, I had made a number of recommendations to the Security Council Committee as well as to the Council with a view to improving the efficiency and effectiveness of the procedures for the implementation of the programme (S/1998/90, paras. 49-60). In its resolution 1153 (1998), the Council welcomed that report and the recommendations contained therein.

43. I am pleased to inform the Council that all the directives given to the Office of the Iraq Programme (see S/1998/90, para. 53 (a) to (m)) have been fully implemented. I had, inter alia, directed the Office of the Iraq Programme, in full consultation with the United Nations Controller and all others concerned, to review options and make the necessary adjustments to the

current procedure in order to expedite the reimbursements from the ESC (13 per cent) account to the ESB (53 per cent) account for expenditures involved for bulk purchases of food and medicine by the Government of Iraq for the governorates of Dahuk, Erbil and Sulaymaniyah (S/1998/90, para. 53 (l)). In a letter dated 11 February 1999, addressed to the Chairman of the Security Council Committee, the Executive Director of the Iraq Programme submitted a new system for advancing funds for food procured and delivered to Dahuk, Erbil and Sulaymaniyah, for consideration by the Committee.

44. It is regrettable that the Security Council Committee has been unable to act on the proposal which has been before it since February. In the meantime, very serious difficulties are being encountered, particularly in the light of the substantial drop in revenues during phase IV and the first half of phase V, in implementing the programme for the centre and south of Iraq, resulting in the deferral of funding of approved applications for contracts for those regions, particularly in sectors other than food and medicine. In terms of amounts to be reimbursed for food only under phases II to V, pending delivery of the supplies to the World Food Programme for the three governorates, $236 million had not been transferred from the ESC (13 per cent) account to the ESB (53 per cent) account under those phases. The total amount for reimbursement for medicine is over $72 million. There is therefore an urgency for the Security Council Committee to act on the proposal submitted by the Secretariat.

45. Information on pending amounts for reimbursement from the ESC (13 per cent) account to the ESB (53 per cent) account for phases I to V, for food and medicine, is provided in annex IV to the present report.

46. I had also directed the Office of the Iraq Programme to enhance the capacity of the independent inspection agents, inter alia, to perform quality tests within the shortest period technically feasible, as well as to perform quality tests inside Iraq (S/1998/90, para. 53 (j)). Discussions continue with the Government of Iraq concerning the request to set up a mobile laboratory at Trebil. I should like to urge the Government of Iraq to respond positively to that request.

47. A number of difficulties and bottlenecks were experienced in the first year of the programme with respect to the processing of contracts. These included a lack of standardization and item coding in distribution plan annexes, and a shortage of staff in the Contracts Processing Section of the Office of the Iraq Programme to evaluate, circulate and release applications in a timely matter. A large number of applications were also placed on hold. Problems related to the distribution plan, and to the workload capacity in the Contracts Processing Section, have mostly been resolved. The Security Council Committee has considerably improved its procedures, so as to expedite the consideration and approval of applications. The Government of Iraq has also instituted the practice of including contractual terms specifying the period in which the application must be submitted. This has resulted in a marked decrease in the time it takes for a contract, once it is signed, to reach the Office of the Iraq Programme.

48. I have noted with satisfaction that lately there has been more flexibility on the part of members of the Security Council Committee in approving

applications. I should like to appeal to the members of the Committee to be more forthcoming and approve applications more expeditiously. The number of applications placed on hold declined significantly, from 46.5 per cent during phase I to 12.4 per cent in phase IV. Nevertheless, difficulties are still encountered in the implementation of some of the activities undertaken under the programme, owing to the holds placed on some applications, particularly those interrelated with other applications which are often already approved. It would also be most helpful if the Government could indicate in advance to the Office of the Iraq Programme which applications are interrelated as projects, or are linked to other activities.

49. Information on the status of applications on hold as at 20 April 1999 is provided in annex V to the present report.

50. Although phase V is currently under way, submission and approval of contracts for phase IV are still continuing, as well as the arrival and distribution of humanitarian supplies for all phases. This is partly as a result of the late submission and approval of applications, slow and late deliveries by suppliers, the natural time lag for more complex equipment requiring a long lead or manufacturing period, as well as the shortfall in funding, particularly for those applications approved under the ESB (53 per cent) account, awaiting reimbursement of funds from the ESC (13 per cent) account. Some of the delays in the implementation of the programme have also been due to the decisions taken by the Government of Iraq to stop export of oil during the early parts of phases I to III, pending the approval of the distribution plan.

51. I welcome the Security Council Committee's agreement with my recommendation (S/1998/90, para. 58 (c)) to consider and approve applications in advance of the availability of funds in the United Nations Iraq Account, on the understanding that approval letters will be released by the Secretariat only after confirmation by the Controller that sufficient funds are available in the account. Throughout the second part of phase IV, as well as during the current phase, however, considerable difficulties have been encountered because of the imbalance between revenues available and the value of the applications submitted for processing and approval. As a result of the substantial shortfall in the revenues required for the implementation of the programme under phase IV, 168 approved applications in the amount of $144,391,015 have been transferred for funding under phase V. However, applications under phase V continue to be submitted without taking into account the amount of funds required for approved applications transferred to phase V for funding. While the recent rise in oil prices may alleviate the difficulties encountered in this regard, it is recommended that the Government of Iraq review the applications submitted under phase V, with a view to further prioritizing the applications submitted within different sectors, bearing in mind the estimated revenues available, as well as the priorities set forth by the Security Council. The Office of the Iraq Programme has been meeting on a regular basis with the Permanent Mission of Iraq to the United Nations in order to coordinate the processing and funding of applications received.

## VII. PROGRAMME REVIEW AND ASSESSMENT

### A. General observations

52. From the outset, the focus of the implementation of the programme authorized by resolution 986 (1995) was on the provision of short-term inputs to address, in particular, the nutritional and health situation of the Iraqi people. In accordance with the priorities set out in the resolution, the distribution plan for phase I allocated the bulk of resources to enhancing the food ration distributed by the Government of Iraq and increasing the availability of pharmaceuticals and health supplies. Inputs in other sectors were also authorized to make a limited contribution on a temporary basis. Overall, the oil-for-food programme mandated by the Security Council, and implemented on the terms agreed in the memorandum of understanding, was designed to provide imported goods as an urgent response to existing requirements. It did not focus on the programmatic framework for delivering inputs nor did it make provisions to assure their impact.

53. It is evident from the reports of the United Nations observers in Iraq that the programme has met its priority objective in making available basic food items and health supplies. The caloric value of the food ration basket has reached 93 per cent of the targeted levels, and represents a 60 per cent increase in the ration before the programme. Malnutrition rates for the centre and south of Iraq have stabilized. In the three northern governorates of Dahuk, Erbil and Sulaymaniyah, malnutrition rates dropped significantly in response to the distribution of a food basket where none existed before. This improvement also reflected the availability of additional food and nutrition supplies for vulnerable children and their families. Medicines are no longer rationed in the three northern governorates, and drug rationing in the centre and south is limited to out-patients at hospitals and clinics. Throughout Iraq, the number of patient visits to health facilities has increased and more surgical operations are being performed. The prevalence of certain diseases, preventable with vaccines or directly treatable, has diminished slightly. The quantity of water available for consumers has stabilized in the centre and south, and increased in both urban and rural areas in the north. Water contamination rates have dropped throughout the country. Food production has increased in the three northern governorates. However, inputs under the programme have had little impact on the availability of electricity, with power generation country-wide continuing to decline. In the two sectors unique to Dahuk, Erbil and Sulaymaniyah, rehabilitation of settlements and mine clearance, many displaced families have been assisted to return safely to their villages of origin or enabled to live a more comfortable existence in urban and semi-urban dwellings.

54. The Government of Iraq has faced difficult choices in allocating the limited resources available under the programme across different sectors. Within each sector, decisions had to be made between meeting immediate needs, carrying out urgent repairs, supplying basic inputs to keep systems functioning and consumers supplied, and measures which might slow the deterioration of the infrastructure.

55. The complexity of the humanitarian situation in Iraq poses major challenges, as there is little experience with the type of problems encountered

when the whole spectrum of basic services starts to fail, as is happening in Iraq. The slow collapse of the electricity infrastructure has consequences which are rippling through every aspect of life in Iraq, and provides a good example of how weaknesses in one sector can affect all other sectors. Almost all power stations, distribution networks, automatic control, protection and safety systems are malfunctioning. This has caused damage, in varying degrees, to every type of equipment in the electricity network. The erratic quality of supply and increasingly frequent, unscheduled power outages damage industrial and domestic appliances. The loss of power leads to the spoilage and waste of medicines and vaccines. Refrigerated food suffers similar spoilage, creating dangerous health risks. There have been losses in rice and other crops requiring continuous irrigation where farmers were dependent on electrical pumps. Water treatment plants are unable to maintain output of treated water, and the reduction in pressure of water mains brings greater risk of cross-contamination to water in the distribution network. The use of oil lamps increases the risk of domestic accidents. More importantly, hospitals dependent on inadequate emergency generators cannot operate life-saving equipment. Similar interlinkages could be detailed for all other sectors.

56. At the outset of the programme, the United Nations had no information detailing the extent to which infrastructure and humanitarian services had deteriorated. As this became clear, there were two major implications. First, the oil-for-food programme was predicated on the existence of effective distribution mechanisms. With the exception of the food ration and the electricity sector, where distribution was relatively straightforward, distribution systems proved unable to cope, as the volume and complexity of goods reaching Iraq increased. Secondly, humanitarian facilities such as hospitals and water treatment plants had received so few resources since 1990 that they were unable to benefit fully from the distribution of materials and equipment. In short, the conditions that would have allowed Iraq to make the best use of the humanitarian supplies arriving under the resolution 986 (1995) programme did not exist.

57. Faced with the evidence of Iraq's deteriorating infrastructure, I recommended in my supplementary report (S/1998/90) that the Council authorize an increase in the revenue available to the programme. This would make possible a multisectoral, more project-oriented programme which could apply resources in a more sophisticated manner to deal with the complex problems facing Iraq.

58. The provision of additional revenue for the programme would not, by itself, resolve all the obstacles to effective implementation. All United Nations entities active in the programme have recognized the urgent need for training and the provision of local services, matching imports to local absorption capacities and identifying the type of materials and equipment that could effectively address the main humanitarian problems. In place of such a comprehensive approach, the drafting of the distribution plan focuses attention on the provision of categorized lists without indicating the complementary nature of different contracts or project implementation timetables. This is true both for the 15 governorates in the centre and south of Iraq, and, albeit to a lesser extent, for the three northern governorates, where the United Nations is responsible for the implementation of the programme on behalf of the Government.

59. In the crucial area of distribution of inputs, vehicles and related logistics equipment, including computing equipment, have had to compete, usually with limited success, for scarce resources with other essential inputs. The exception has been in the food sector where transport and logistics are recognized as priority concerns.

60. Within sectors, there was no framework to ensure the most effective use of inputs. Government officials were, in many instances, overwhelmed by the mismatch between the speed and scale of deterioration and the limited resources available to them to respond. They have repeatedly emphasized that the most that can be achieved with inputs provided under the programme is an ad hoc response to emergencies as they arise. The unpredictable manner in which applications were submitted, approved and delivered has made many ministries understandably reluctant to devise detailed allocation plans until materials actually reach their warehouses.

61. It should also be noted that effective planning is critically dependent on accurate data. Yet, with the exception of the food rationing system, this rarely appears to be available. Some ministries have initiated substantive surveys, such as that supported by UNICEF for the water and sanitation infrastructure of the 15 governorates in the centre and south, or have cooperated with the United Nations in producing technical surveys and assessments, such as the joint review of Iraq's telecommunications requirements in October 1998.

62. In general, however, the relevant Iraqi authorities are operating systems without adequate information, monitoring procedures, expertise or diagnostic equipment to assess the nature and extent of deterioration. In such a situation, it is difficult for either the Iraqi authorities or the United Nations observation system to judge implementation against authoritative criteria. Many of the Iraqi authorities' engineering responses appear reasonable given the limited amount of information available to them but, in many sectors, plant, machinery and networks are being operated in conditions which are unprecedented, and the outcome of many interventions is genuinely unpredictable.

63. Given that the preconditions for maximum impact have not been met within sectors, it was even less likely that preconditions for success would exist between sectors. The scarcity of resources for the delivery by ministries of their basic services and activities increased their concern to secure the maximum level of resources under the programme. Despite the Government's efforts to establish clear priorities for the use of the funds available under the programme, it has not yet been possible to achieve a coherent implementation of the distribution plan.

64. Although the implementation of the humanitarian programme in the three northern governorates of Dahuk, Erbil and Sulaymaniyah was comparable to that in the centre and south of Iraq, specific conditions made a different approach necessary. Eight United Nations agencies and programmes were delegated the responsibility of implementing the sector programmes on behalf of the Government of Iraq, according to their respective mandates. Because of the particular requirements prevailing in the north, two additional programme components were

introduced - rehabilitation of settlements and mine clearance. With the exception of bulk-purchased items, the agencies and programmes are responsible for ensuring all aspects of programme implementation, including consultation with local authorities about the distribution plan, sectoral allocations, procurement, warehousing and distribution to end-users.

65. As the programme in the three governorates evolved through consecutive phases, it became apparent that individual agency and programme activities would require a broader, more concerted intersectoral approach if they were to achieve optimal results with the resources provided under resolution 986 (1995). This was further reinforced by the fact that, in the initial stages of implementation, some agencies and programmes recognized that their own framework lacked clear goals and objectives.

66. In assessing the overall performance of the different sector programmes, the role and responsibilities of the local authorities in the three governorates cannot be overlooked, especially in terms of providing necessary staff and complementary support services. Although agency projects, particularly those involving construction of health or educational facilities, may be successfully completed, lack of professional staff to service those facilities will undermine the project objectives. This is particularly true with regard to the recruitment of teachers or medical staff who, because of poor salaries, are reluctant to go to rural areas. Similarly, the condition of newly refurbished schools quickly deteriorates if local authorities do not ensure adequate maintenance.

67. Sector allocations and prioritization for the different phases have been established in close consultation with counterpart administrations in the local authority structure. In the initial stages of implementation, some local counterparts lacked the technical and administrative capacity to identify and adequately plan sector requirements, a task made more difficult in the absence of accurate baseline statistics. In order to overcome problems in the implementation of the various sector programmes and ensure an effective and sustained dialogue, the Office of the Humanitarian Coordinator at Erbil coordinates an ongoing consultation process between United Nations agencies and programmes and their local authority counterparts.

68. Multi-agency involvement in sectoral implementation has highlighted the importance of correct sequencing in delivery and distribution. Well-coordinated procurement procedures would lead to operational economies such as shared maintenance charges, spare parts and technical training. Coordination is particularly relevant in the construction of facilities such as schools, health-care centres or veterinary clinics which need to be furnished and equipped with inputs from different agencies.

69. The level of coordination, both between the Office of the Humanitarian Coordinator and local authorities and between the United Nations agencies and programmes has been intensified. Efforts are being made to adopt a multisectoral approach for new projects based on integrated needs assessment between the local authorities and various agencies, thereby ensuring that all necessary components are in place for maximum project impact. To this end, the Office of the Humanitarian Coordinator is currently mapping the specific

location of agency projects and types of activity across Dahuk, Erbil and Sulaymaniyah. This should also help to identify gaps and avoid duplication.

## B. Sector-specific issues

### Food and nutrition

70. Between 1990 and 1996, the Government of Iraq provided a monthly food ration with a caloric value of between 1,250 and 1,400 kilocalories per person per day in the centre and south of Iraq. The caloric value of the food offered by the rations during that period was one third of what had been previously available, and 60 per cent of the minimum requirement as defined by the World Health Organization (WHO).

71. For this sector, as at 28 February 1999, the total value of applications approved for bulk purchase of the monthly food ration basket was $4.096 billion. Of that amount, $2.59 billion worth of supplies have been distributed in the centre and south of Iraq, and $406 million in the three northern governorates of Dahuk, Erbil and Sulaymaniyah.

72. The monthly food ration basket financed under resolution 986 (1995) aimed at providing 2,030 kilocalories per person per day during the first three phases. This would have provided 92 per cent of the minimum caloric requirement, as established for Iraq by WHO criteria. A programme review undertaken in January 1998, and my supplementary report to the Council (S/1998/90), recommended increasing the caloric value to 2,463 kilocalories per person per day. In the enhanced distribution plan for phase IV, the Government of Iraq increased the targeted amount to 2,300 kilocalories per person per day. Owing to the substantial fall in revenues, however, the funding level for food as approved in the enhanced distribution plan was reduced by the Government from $1.113 billion to the level of the previous phases, just over $902.8 million. Consequently, the target of the 2,300 kilocalories could not be reached.

73. In the centre and south of Iraq the food basket has not been complemented by a targeted nutrition programme as it has in Dahuk, Erbil and Sulaymaniyah. The Government ultimately agreed to order therapeutic milk and high protein biscuits during phase IV. Contracts for those commodities were not submitted until four months after the end of that phase, however, and even then only in limited quantities.

74. During the 22 months of food distribution, from phase I to phase IV, food basket targets have been fully met in only six months, and the monthly ration basket has averaged a caloric value of 93 per cent of the targeted amounts. The food baskets have provided 64 per cent more calories and 60 per cent more protein than the food basket provided by the Government of Iraq, prior to the implementation of the programme. For the most part, food distribution has been timely and regular. The rising incidence of malnutrition prior to the implementation of the programme has levelled off but, in contrast to the trend in the three northern governorates, there is no indication of improvement in the nutritional status of children under five. The amounts allocated to food under

resolution 986 (1995) for the first four phases represented 60 per cent of the total programme allocation.

75. The specific conditions prevailing in the three governorates since 1991, namely the internal embargo which effectively isolated them from the rest of the country and the absence of Government food rations, resulted in the need to attain a degree of food self-sufficiency through local production. Although the production of cereals and other food staples increased during this period until 1996, it was insufficient to reduce food prices to affordable levels for a large part of the population. Malnutrition was prevalent and rose steadily, especially among vulnerable groups and children under five. Food rations were distributed for the first time to the population of the three governorates on an equity basis under resolution 986 (1995). The combination of the monthly food basket distribution, the supplementary food rations distributed to vulnerable groups and the targeted nutrition programmes for malnourished children has served to reduce substantially the incidence of malnutrition. Furthermore, it has increased the availability of food on the local market and made it more affordable, allowing greater access by low-income families to a broader variety of foods. However, the negative impact of the free distribution of flour on the demand for locally produced wheat is acting as a disincentive to produce, and risks undermining the local agricultural economy.

76. While the food and nutrition programme is the most important contributing factor to the alleviation of malnutrition in the three governorates, other United Nations agency and programme activities have contributed to the overall improvement of the nutritional status of the population brought about, inter alia, by the indirect impact of agricultural components which have increased the availability and affordability of higher quality foods such as meat and vegetables, increased access to safe water and sanitation systems, and improvements in the primary health care system. The situation could be further improved if the problems in the electricity sector could be addressed.

Health

77. By the time the first supplies for the health sector arrived in Iraq in April 1997, the country's health services had deteriorated to an alarming extent. Many of the local facilities manufacturing health supplies closed down or reduced production when sanctions were imposed. Many professionals in the health sector left the country, and the Iraqi health system declined rapidly. A description of the hospitals in Iraq in 1996 by a WHO public health specialist depicted health facilities in an advanced state of decay.

78. For this sector, as at 28 February 1999, the total value of applications submitted to the Security Council Committee was $863.5 million. Of that amount, $225 million has been distributed in the centre and south of Iraq, and $47.7 million in the three northern governorates of Dahuk, Erbil and Sulaymaniyah.

79. The Ministry of Health has ordered a range of medicines and medical supplies, which includes between 300 and 400 items for each phase. As a result, the availability of life-saving drugs has increased at all levels of public health care. The number of days when standard drugs are not available at a

selection of health centres dropped from 24 days in August to 8 days in December 1998. Recent surveys by WHO have also indicated that patient visits to health facilities have increased by 46 per cent as a result of the increased confidence patients have in the capacity of the system to provide treatment.

80. In spite of these improvements in the delivery of health care, the overall health situation has not improved, in part because of inefficiency in the ordering, processing and delivery of medical supplies. Of the $552.5 million worth of medical supplies which have arrived in Iraq under the bulk purchase arrangement, only $225 million have been distributed to end-users in the 15 governorates in the centre and south and $29.7 million to the three northern governorates. Processing facilities are operating at less than 35 per cent of their capacity. Furthermore, medical equipment represents a disproportionate share, both in volume and dollar value, of all medical supplies ordered, and this emphasis on medical equipment and supplies is one of the reasons for the continuing shortage of pharmaceuticals. These procurement choices and the inefficiency of processing and delivery explain, to a large degree, why essential medicines continue to be rationed. They also account, in some measure, for the fact that there has been little change in the incidence of disease categories, and little change in the health of the population overall.

81. In the three northern governorates, the responsibility for procurement and distribution in the health sector is divided between the Government of Iraq, for the bulk purchase of pharmaceuticals and medical supplies through the Iraqi State Company for Importation of Drugs and Medical Supplies (Kimadia) and WHO, for purchases of medical equipment. WHO and other United Nations agencies and programmes are also involved in the rehabilitation of the health infrastructure at different levels, in training and in preventive health programmes, and in providing assistance in the installation of equipment for which there is no local expertise.

82. From phase II onwards, distribution of medicines in the three northern governorates has been based on an attempt to match availability and needs, in consultation with local authorities. To a large degree, quantities of drugs are sufficient, although allocations under the programme have decreased. Drugs are not rationed in the three governorates, and certain classes of drugs are in ample supply. In addition to the availability of treatment, the modest improvement in water quality has clearly contributed to the reduction of diseases.

83. One of the major problems facing the local authorities in the three northern governorates has been the lack of adequate advanced notification as to when pharmaceuticals and supplies are likely to be available. This information gap has made it difficult to plan and manage requirements. Remedial measures have been taken by WHO. There is still scope for improvement, however, both in the provision of pipeline information and in increased levels of consultation.

Water and sanitation

84. Until 1990, the water and sewage system in Iraq provided sufficient quantities of treated water for all consumers in both the urban and rural areas. The situation deteriorated rapidly after that in the centre and south, as basic

chemicals became less and less available, pumps fell into disrepair, sewers became clogged with sediment, and pipes were not maintained. By the time implementation of the programme under resolution 986 (1995) began, the quantity of water per person had declined by 40 per cent, and almost one quarter of all tested samples were contaminated. The situation in the three northern governorates of Dahuk, Erbil and Sulaymaniyah was only marginally better than in the centre and south of Iraq.

85. For this sector, as at 28 February 1999, the total value of applications submitted to the Security Council Committee was $241.53 million. Of that amount, $23.22 million has been distributed in the centre and south, and $35.79 million in the three northern governorates.

86. The procurement choices for this sector have focused on the acquisition of chemicals, pumps and vehicles, with the objective of improving the quantity of treated water. The rehabilitation of the pipe networks has not been addressed in spite of their continuing deterioration. This implementation strategy has resulted in modest improvements in water delivery. The share of water available to consumers in the urban areas of the country has stopped declining, and has even improved in some cities. An increase of 20 per cent in the efficiency of sewage pumping stations has led to an approximately commensurate improvement in sewage disposal.

87. An increase in water plant efficiency, as well as an increased availability of treatment chemicals, has contributed to the decline in water contamination. According to information on water quality provided by the Ministry of Health, based on samples tested from the 15 governorates in the centre and south, the proportion of contaminated water dropped from 12 per cent to 5 per cent in the last quarter of 1998. This has not led, however, to a clear reduction in the incidence of water-borne diseases. The incidence of both giardiasis and amoebic dysentery has dropped modestly, but other water-borne diseases, such as diarrhoea and typhoid fever, have increased.

88. After 1991, the water and sanitation network in the three governorates of Dahuk, Erbil and Sulaymaniyah deteriorated to a deplorable state. The depopulation of rural areas forced large numbers of households into urban and semi-urban areas which, in turn, placed demands on a system that was unable to cope with such increased demand.

89. Because of the fundamental importance of access to safe, potable water, priority in the three northern governorates has been given to investment in the rehabilitation and maintenance of the network in both urban and rural areas, under both the Inter-Agency Humanitarian Programme and the resolution 986 (1995) programme.

90. Inputs financed under resolution 986 (1995) for Dahuk, Erbil and Sulaymaniyah have resulted in an increase in the share of clean water available for urban consumers of 25 per cent over 1996 levels. The share of water for rural consumers has increased from 20 to 30 litres per person per day in 1996 to 40 to 50 litres per person per day in 1998. Furthermore, there has been an increase in the access to safe drinking water from 63 per cent of the population to 72 per cent. Data also suggest that there has been a very noticeable decline

in the number of reported cases of water- and sewage-related diseases. A survey of water samples in the three governorates shows a reduction in the percentage of contaminated water averaging 8 per cent. The number of reported cases of amoebic dysentery fell from 68,000 in 1996 for Dahuk and Erbil to 6,000 for all three governorates. Similarly, the number of reported cases of giardiasis fell from 29,000 in 1996 to 3,300 in 1998. However, as in the centre and south of Iraq, it is not possible to directly quantify or attribute this improvement only to water and sanitation inputs, although these have undoubtedly contributed to the decline in water-borne diseases.

Agriculture

91. Before sanctions were imposed, the Government of Iraq provided a steady supply of subsidized agricultural inputs, as well as guaranteed high prices to farmers to ensure a certain level of domestic production. The focus of the Government in this sector was on advanced technology and intensive input production methods. After 1991, the Government decreased its level of support to the sector, although it continued its policy of fixed prices for pre-determined quantities of cereals. It was expected that domestic production would secure a larger part of the population's food needs. However, a severe shortage of essential inputs occurred, as well as a continuous deterioration of basic infrastructure and support services. To maintain levels of output in the face of falling yields, crop production was expanded by putting more land under cultivation. However, the lack of inputs, high levels of pest infestation, inappropriate farming practices, and an alarming increase in salination due to poor irrigation techniques had a negative effect on crop production.

92. For this sector, as at 28 February 1999, the total value of applications submitted to the Security Council Committee was $353.33 million. Of that amount, $37.8 million has been distributed in the centre and south of Iraq, and $55.81 million in the three northern governorates of Dahuk, Erbil and Sulaymaniyah.

93. During phases I to III of the programme, the Ministry of Agriculture continued its strategy, initiated prior to the implementation of resolution 986 (1995), of intensifying crop production through mechanization. This has meant an emphasis on replacing an aging tractor fleet by procuring new equipment and spare parts, and on providing agro-chemicals and spraying equipment. A small portion of the allocation has been committed to procuring veterinary supplies. Neither fertilizers, nor seeds, nor any smaller equipment were procured during the first three phases. During those phases, the agro-machinery sub-sector received over 60 per cent of total resources, chemicals and spraying equipment received 24 per cent, and the remainder went to veterinary supplies. While the enhanced distribution plan under phase IV originally aimed at expanding the range of inputs, because of the reductions in allocations due to insufficient oil revenues, emphasis continued to be placed on agro-machinery and plant protection supplies. The one exception in phase IV, and an important innovation, has been the considerable effort to rehabilitate poultry production facilities.

94. The strategy of relying on increased intensification of production through mechanization, with little attention to smaller scale inputs and to the

increasing problem of soil waterlogging and salinity, has not succeeded in reversing the continuing decline in food production. Land under cereal cultivation has continued to decline, as have yields. Animal populations have also declined. Animal diseases are endemic in Iraq, and there have not been sufficient vaccines purchased under resolution 986 (1995) to respond in a timely manner to recent outbreaks. The poultry production programme has produced 2,297 tons of frozen poultry meat, making protein available at significantly reduced prices. The link between the distribution of food basket wheat flour and the profitability of cereal production is not as clear in the centre and south of Iraq as it is in Dahuk, Erbil and Sulaymaniyah but, as in the three governorates, local procurement of food basket supplies would give a significant boost to food production in the centre and south.

95. In the three northern governorates, through close and regular consultation with local authorities and farmers' unions, a whole range of needs of the targeted beneficiaries was taken into consideration, within the range of funding availability. Apart from the provision of basic agricultural inputs and livestock services, the programme expanded to address broader agriculture-related issues such as afforestation projects, agro-industrial rehabilitation and the revival of the poultry sector. This wide-ranging approach has served to lower production costs for farmers, although to a less than optimal degree, and has reduced substantially the price of certain food items, making them more available to low-income families. The availability of locally-generated funds from the sale of some inputs under resolution 986 (1995) has provided the financing of several small-scale projects, such as irrigation channels and training courses, to complement the programme's main activities.

96. However, the distribution of wheat flour in the food ration has significantly undermined the demand for locally produced wheat - the region's main crop - and led to a sharp fall in wheat prices in the local market, despite the fact that the Government has procured 107,000 tons or 30 per cent of the 1998 production in the three governorates. For wheat farmers, this has led to a serious loss in profitability, in spite of the lowering of costs of production for those farmers benefiting from resolution 986 (1995) inputs. Farmers have responded to this downturn either by diversifying into other crops or by leaving the land fallow.

Electricity

97. Damage from the Gulf war reduced Iraq's power generation capacity by 75 per cent. Rehabilitation efforts during 1992 and 1993 restored generation capacity to only 42 per cent of pre-war capacity, mainly through makeshift repairs.

98. For this sector, as at 28 February 1999, the total value of applications submitted to the Security Council Committee was $488.47 million. Of that amount, $87.59 million has been distributed or installed in the centre and south of Iraq, providing spare parts and equipment to 22 generating stations, and $17.93 million in the three northern governorates of Dahuk, Erbil and Sulaymaniyah, mainly for two hydroelectric plants.

99. The original objective of the programme financed under resolution 986 (1995) was to repair the existing generators, some of which were 25 years old, rather than provide additional or new power generation facilities. Thermal power generation plants were given preference over gas-powered plants, although in fact, gas-powered units might have been easier to procure and put into operation more quickly. There has been a change of strategy in phase IV, and new gas turbine generation units have been ordered.

100. While resolution 986 (1995) inputs have increased output at different power plants, and marginally increased the reliability of the power supply, the overall increase at the level of the national grid has been negligible. Power generation has increased by about 4.5 per cent since the implementation of the programme, but has been outstripped by the growth in demand from consumers. The gap between demand and supply increased by 21 per cent between 1997 and 1998. Power outages have increased from four to six hours per day, in mid-summer 1998, to 12 hours per day in January 1999. The progressive decline in power availability directly affects a range of essential services in health, agriculture, and water and sanitation. The continuing deterioration of power stations has reduced the safety of the system itself. The deterioration of the equipment and the declining safety level have combined to produce a sharp increase in the number of deaths and injuries at generation and transformer sites.

101. The power generation and distribution installations and networks in all three northern governorates were heavily damaged during the departure of government forces in 1991 and the ensuing conflict. In addition, Erbil and Sulaymaniyah were disconnected from the national grid, and forced to depend for their power-generation requirements on two hydropower plants installed at dams which were originally intended primarily for irrigation purposes. Ensuring the safe and reliable operation of these two plants has been a priority, and resolution 986 (1995) inputs and activities have been partially successful in providing a temporary respite in the deterioration of the system. However, the uncertain security situation, particularly the very large number of landmines, has made access to maintenance sites for essential repairs difficult. Progress was further hampered by extremely slow procurement procedures. Although in 1993, Dahuk governorate was reconnected to the country's main network, it continues to suffer from a severe shortage of power.

102. In view of the grave situation in the three northern governorates, where power shortages are even more severe than in the centre and south of Iraq, a major rehabilitation of the whole network and installations is required. This would also have a positive impact on the health and general well-being of the population. If an agreement among the parties cannot be reached to re-link the local system to the national grid, it will be necessary to develop significant power generating capacity in the north.

103. A preferred solution would be to adopt a national approach to the problem. This makes the most sense from the standpoint of managing the national grid, and also in view of the complexity of the work under way and the lack of expertise in the north, which has contributed to the low implementation rate there. However, since there is also an acute shortage of power in the centre and south

of Iraq, an apportioning of resources to enable part of overall requirements to be generated in the north, and part from the national grid, could be envisaged.

Education

104. During the 1970s and 1980s, education reforms, legislation of compulsory education and campaigns to reduce adult illiteracy had the overall effect of establishing a highly reputed education system that was uniform throughout the country. In the mid-1980s, the enrolment rates, teacher-pupil ratios and the quality of the education environment all ranked among the best in the region. However, from the Iran/Iraq war onwards, government support for the sector declined rapidly and the overall deterioration was progressive and continuous throughout the following years. Increases in primary school drop-out rates, a falling-off in the qualifications of teachers and a marked decline in physical infrastructure and school facilities were indicative of the deterioration of the sector as a result of the acute lack of resources.

105. In the education sector, over half of the allocation since the implementation of resolution 986 (1995) has been applied to the procurement of materials for rehabilitating school buildings and providing school furniture. In addition, resources have been used to procure supplies for printing textbooks and teaching aids, and to procure teaching aids for universities. The impact of these inputs has been minimal. A recent survey conducted by the United Nations Educational, Scientific and Cultural Organization and UNICEF indicates that, despite efforts to address the rehabilitation of the physical structures, the condition of school buildings overall has declined.

106. For this sector, as at 28 February 1999, the total value of applications submitted to the Security Council Committee was $132.05 million. Of that amount, $12.84 million has been distributed in the centre and south of Iraq, and $22.05 million in the three northern governorates of Dahuk, Erbil and Sulaymaniyah.

107. Clearly, materials have not been delivered efficiently. Of the quantities which have arrived in country, 56 per cent remains in storage. There is very little transport available for moving commodities from warehouses to schools and once they reach schools there are no resources to provide for labour and ancillary inputs to complete the installation. Even if the inputs had been processed and delivered efficiently, however, the quantities procured would have been far too small to have made much difference. In the centre and south of Iraq, it is unlikely that the programme will have any substantial impact on school attendance, or on the quality of education, without significant changes to the types of input and the efficiency of their implementation.

108. In the three northern governorates, five United Nations agencies and programmes are involved in implementing activities in the education sector at all levels. Activities financed under resolution 986 (1995) in the three governorates have focused on the construction and rehabilitation of schools, the provision of school supplies and materials, teaching aids, teacher training and printing equipment. The holistic approach taken has had a direct impact, as evidenced by the increase in school enrolment at all levels. There has been a clear improvement in the physical environment of schools. There is concern

however that the progress achieved could be undermined, because of the lack of funding locally to maintain buildings and facilities, as well as to ensure adequate numbers of suitably qualified teachers, especially in the rural areas. The lack or slow delivery of large-scale equipment and its installation, such as the printing press and equipment for the chalk factory, has also reduced the potential impact of the programme on the education sector.

Rehabilitation of settlements and mine clearance

109. For the rehabilitation of settlements, as at 28 February 1999, the total value of applications submitted to the Security Council Committee, and contracts entered into, was $43.24 million. Of that amount, $19.56 million has been distributed or installed in the three northern governorates of Dahuk, Erbil and Sulaymaniyah.

110. For mine-related activities, as at 28 February 1999, the total value of submissions to the Security Council Committee, and contracts entered into, was $10.84 million. Of that amount, $8.77 million has been distributed or installed in the three northern governorates.

111. Activities under these sectors are a critical component of the humanitarian programme in the three northern governorates, as they have a direct impact on the living conditions of approximately 1 million internally displaced persons and returnees, as well as some 400,000 people constituting vulnerable and other groups with special needs. Cross-sectoral activities undertaken by the United Nations Centre for Human Settlements (Habitat) and other concerned United Nations agencies and programmes have included the construction and renovation of houses, schools and health facilities, the improvement of water distribution and sewage systems, and the provision of rural infrastructure and facilities such as roads, irrigation channels and slaughterhouses. These activities have been undertaken with a view either to facilitating the return of internally displaced persons to their villages of origin or to improving the social infrastructure of the communities receiving them, and to improving the dire living conditions of the most vulnerable and needy groups.

112. The mine-clearance programme has complemented the resettlement programme by permitting the safe return of over 639,000 square metres of land to practical use, as well as providing over 700 landmine victims with prosthetic limbs.

113. It is estimated that, to date, approximately 1.25 million people have been directly or indirectly affected by this programme. The multi-sectoral approach has benefited greatly from regular consultation between concerned United Nations agencies and programmes and local authorities to identify and address community needs. Efforts are continuing to further reinforce the synergies achieved through this multisectoral and multi-agency approach.

## VIII. OBSERVATIONS AND RECOMMENDATIONS

114. Any review and assessment of the humanitarian programme established pursuant to resolution 986 (1995) should bear in mind the special features of the programme. It is not a regular development programme or a humanitarian

programme funded by voluntary contributions from other countries or from multilateral organizations. The programme is financed entirely from the sale of Iraq's major natural resource - oil.

115. This is a programme established by the Security Council, under Chapter VII of the Charter, as a temporary measure to provide for the humanitarian needs of the Iraqi people until fulfilment by Iraq of the relevant Council resolutions. The programme pursuant to resolution 986 (1995) cannot - and was never meant to - meet all the humanitarian needs of the Iraqi people, nor can it restore Iraq's economic and social infrastructure to pre-1990 levels.

116. Regardless of the improvements that may be brought about in the scope and implementation of the programme - both in terms of approval procedures and funding levels - the magnitude of the humanitarian needs is such that they cannot be met within the parameters set in resolution 986 (1995) and succeeding resolutions, in particular 1153 (1998). The very substantial degradation of infrastructure and the magnitude of the funds required for its rehabilitation is far beyond the funding level available under the programme. There is, therefore, a need for the Council to consider arrangements to allow additional funding through either bilateral or multilateral sources, over and above those made under the programme, still subject to existing financial controls established by relevant decisions of the Council. What I have in mind in particular is the funding of oil spare parts and equipment for which $300 million are currently allocated during a given phase. Should funding for oil spare parts and equipment be secured outside the resources made available under resolution 986 (1995), there would be an additional $300 million available for humanitarian supplies.

117. As stated earlier in the report, the objectives of the enhanced humanitarian programme could not be fully achieved, primarily owing to the shortfall in revenues. Instead of the $3.436 billion funding level envisaged in my supplementary report and authorized by the Council in resolution 1153 (1998) for the implementation of the enhanced humanitarian programme, only $1.9 billion could be made available for the implementation of the enhanced distribution plan (phase IV), including $300 million for oil spare parts and equipment - an amount not much greater than that provided for each of the previous three phases. Consequently, with the exception of the agriculture and electricity sectors, none of the additional projects envisaged in my supplementary report (S/1998/90, annex II) could be implemented.

118. While the current higher price for oil will provide revenues for the current phase of the programme above the levels achieved in phase IV, it will not reach the target of $5.2 billion set by resolution 1153 (1998). I should like to caution against any over-optimism regarding the recent trend in oil prices. Given the magnitude of the humanitarian needs in Iraq and the volatility of the oil market, there are no grounds for complacency. There remains an urgent need to take steps which would raise the level of funds available to the humanitarian programme. Authorization of levels of funding by itself, however, has only symbolic value unless the means are also provided to generate those funds. A case in point is the Council's decision in resolution 1153 (1998) to raise the funding level from $2 billion to $5.2 billion.

119. The gravity of the humanitarian situation is such that this funding level, even if it could be reached, is insufficient to meet all the humanitarian needs of the Iraqi people. I have therefore sought to encourage a wider range of complementary assistance from the international community. I regret that such assistance has not been forthcoming.

120. In expressing my satisfaction with the implementation of all the directives I gave to the Office of the Iraq Programme (S/1998/90, para. 53 (a) to (m)), I have directed that Office to further streamline and expedite the procedures for the processing of applications and approval, and to provide all support necessary to the Security Council Committee.

121. In welcoming the improvements achieved by the Security Council Committee in its procedures, I wish to invite the Committee to review its procedures further with a view to expediting the approval of applications and reducing the number of applications that are placed on hold.

122. The Committee may also wish to consider the following measures, some of which were included in my supplementary report to the Council (S/1998/90, para. 58), on which action has yet to be taken:

(a) To review the annexes to the distribution plan at the outset so as to identify as early as possible those items which could be subject to holds and those about which further information and end-use verification are likely to be required;

(b) To reach an understanding to the effect that, for items placed on hold, written and explicit explanations should be provided within 48 hours to enable the applicants to provide any additional information required by the Committee;

(c) To endorse the proposal submitted by the Office of the Iraq Programme on 11 February 1999 regarding the reimbursement of funds from the ESC (13 per cent) account to the ESB (53 per cent) account;

(d) To approve expeditiously applications for oil spare parts and equipment so as to enable Iraq to increase its capacity to produce and export oil on a sustainable basis;

(e) To take full account of the technical complexity of rehabilitation projects or activities undertaken in certain sectors, such as electricity, and, unless there are explicable reasons to the contrary, to approve expeditiously complementary spare parts and equipment when such linkages are explained appropriately by the Government of Iraq. Apart from delaying the implementation of the projects, the absence of safety and control equipment has been causing an increasing number of accidents and deaths;

(f) To authorize the Office of the Iraq Programme, should there be a shortfall in funds available during a given phase, to transfer approved applications from one phase to the next phase for funding purposes, without the need to resubmit them to the Committee;

(g) To be as flexible and pragmatic as possible in responding to unforeseen developments, such as epidemics or natural disasters. An example of this would be the current foot-and-mouth disease epidemic threatening livestock in Iraq and in neighbouring countries.

123. The distribution plan remains central to the entire system of procurement, approval and distribution of humanitarian supplies. In order to meet the humanitarian needs of the Iraqi population more effectively, I invite the Government of Iraq, and the United Nations agencies and programmes, to present sectoral requirements in self-contained packages. These would identify the type of inputs required, covering not only imported commodities but also the local implementation costs to be funded under the programme and the scale and type of rehabilitation required, in particular facilities, installation, training and logistics. This would entail developing the distribution plan from its current limited function as a listing of commodities and materials into a useful checklist for identifying and ensuring the availability of all elements required for successful project implementation. A pro forma description of how particular applications relate to specific packages and the intended use of the materials and equipment would assist all concerned and should lead to a substantial reduction in the number of applications placed on hold for want of sufficient supporting information. The current extensive categorized lists in the annexes to the distribution plan might then be scaled down to the actual requirements of specific projects and activities to be undertaken within a given time-frame. We are all conscious of how much effort is expended at present in devising and reviewing lists which, it is often found later, do not relate sufficiently to actual applications. The packages should be presented in the overall context of sectoral priorities which identify interlinkages and complementarity of activities required within sectors.

124. I recommend that, regardless of the actual level of funding available to the programme, the distribution plan should adopt a genuinely multisectoral approach to improving the nutritional and health situation of the population.

125. Bearing in mind the difficulties experienced in the storage, distribution and installation of equipment, compounded by the health sector's lack of implementation resources, I wish also to recommend to the Government:

(a) To address urgently the growing imbalance between the procurement of pharmaceuticals and equipment so as to establish a pragmatic basis for procurement decisions in the health sector, and to take the necessary steps to utilize the excessive amount of supplies currently in storage. The Government may also wish to conduct a comprehensive infrastructure and equipment inventory, in order to establish a pragmatic basis for procurement decisions;

(b) To review the difficulties encountered in the very late submission of applications in the health sector, including for contracts concerning the targeted nutrition programme.

126. The Security Council has before it a number of proposals and recommendations, including those contained in the report of the Council's panel on humanitarian issues (S/1999/356, annex II). It is my hope that the present

report on the outcome of the review and assessment of the humanitarian programme will also assist the Council in its current deliberations.

127. The humanitarian programme established pursuant to resolution 986 (1995) is making a substantial difference and is helping the Iraqi people under very difficult conditions. It is essential to depoliticize the humanitarian programme and to ensure that its distinct identity from other activities undertaken under the sanctions regime is maintained. I should like to reiterate a point made in my earlier reports to the Council. In implementing the programme to meet the humanitarian needs of the Iraqi people, we must keep in mind the human dimension of what is happening in Iraq. I would appeal, therefore, that this be the Council's primary concern during consideration of the proposals currently before it.

## Notes

[1] For the texts of letters not issued as United Nations documents, see The United Nations and the Iraq-Kuwait Conflict, 1990-1996, United Nations Blue Books Series, vol. IX (United Nations publication, Sales No. E.96.I.3, pp. 823-824).

## Annex I

A. Government of Iraq sectoral allocations for phases I, II and III: PSD (53 per cent) account, including bulk procurement

(Millions of United States dollars)

| Sector | Phase I | | | Phase II | | | Phase III | | |
|---|---|---|---|---|---|---|---|---|---|
| | Amount allocated | Percentage of total allocation | Value of approved applications | Amount allocated | Percentage of total allocation | Value of approved applications | Amount allocated | Percentage of total allocation | Value of approved applications |
| Food | 870.01 | 72.00 | 925.09 | 870.00 | 72.00 | 844.22 | 870.01 | 72.00 | 868.04 |
| Food equipment | 36.00 | 3.00 | 23.77 | 36.00 | 3.00 | 35.34 | 36.00 | 3.00 | 44.69 |
| Health | 210.00 | 17.00 | 199.24 | 210.00 | 17.00 | 212.24 | 200.00 | 17.00 | 189.62 |
| Oil spare parts | - | - | - | - | - | - | - | - | - |
| Water and sanitation | 24.00 | 2.00 | 22.89 | 24.17 | 2.00 | 20.17 | 24.17 | 2.00 | 24.13 |
| Agriculture | 24.00 | 2.00 | 22.36 | 24.00 | 2.00 | 21.37 | 24.00 | 2.00 | 24.30 |
| Electricity | 36.00 | 3.00 | 36.22 | 36.00 | 3.00 | 43.34 | 35.50 | 3.00 | 41.45 |
| Education | 12.00 | 1.00 | 12.00 | 12.00 | 3.00 | 10.68 | 12.00 | 1.00 | 11.12 |
| Communications | - | - | - | - | - | - | - | - | - |
| Total | 1 212.01 | 100.00 | 1 241.57 | 1 212.17 | 102.00 | 1 187.36 | 1 201.68 | 100.00 | 1 203.35 |

B. Government of Iraq sectoral allocations for the enhanced phase: ESB (53 per cent) account, including bulk procurement

(Millions of United States dollars)

| Sector | Original enhanced distribution plan | | Government of Iraq letter of 24 October 1998 | | Government of Iraq letter 28 December 1998[a] | | Government of Iraq letter 23 February 1999[b] | | Office of the Iraq Programme letter 3 March 1999[c] | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Amount allocated | Percentage of entire allocation | Amount allocated | Percentage of entire allocation | Amount allocated | Percentage of entire allocation | Amount allocated | Percentage of entire allocation | Amount allocated | Percentage of entire allocation |
| Food | 1 113.00 | 43.20 | 906.00 | 45.20 | 906.00 | 51.50 | 906.00 | 50.90 | 902.80 | 50.40 |
| Food equipment | 180.00 | 7.00 | 80.00 | 4.00 | 52.30 | 3.00 | 52.30 | 2.90 | 52.30 | 2.90 |
| Health | 274.00 | 10.60 | 200.00 | 10.00 | 200.00 | 11.30 | 159.70 | 9.00 | 169.00 | 9.40 |
| Oil spare parts | 300.00 | 11.70 | 300.00 | 15.00 | 300.00 | 17.00 | 210.70 | 11.80 | 234.40 | 12.60 |
| Water and sanitation | 174.50 | 6.80 | 90.00 | 4.50 | 16.00 | 1.00 | 46.80 | 2.60 | 35.30 | 2.00 |
| Agriculture | 193.00 | 7.50 | 130.00 | 6.50 | 97.10 | 5.50 | 97.10 | 5.40 | 97.10 | 5.40 |
| Electricity | 287.50 | 11.20 | 250.00 | 12.50 | 169.00 | 9.50 | 288.00 | 16.20 | 286.80 | 16.00 |
| Education | 53.00 | 2.00 | 50.00 | 2.30 | 22.80 | 1.20 | 22.80 | 1.20 | 22.80 | 1.30 |
| Communications | - | - | - | - | - | - | - | - | - | - |
| Total | 2 575.00 | 100.00 | 2 006.00 | 100.00 | 1 763.20 | 100.00 | 1 783.40 | 100.00 | 1 800.50 | 100.00 |

[a] Owing to limited revenues, sectoral allocations were set at the level of currently funded applications for all sectors except electricity. It was agreed to circulate an additional contract for electricity, valued at about $75 million, resulting in a phase IV sectoral expenditure of $169 million. It was also agreed to transfer $22 million of unfunded phase IV applications for full-cream milk and cheese to phase V.

[b] The sectoral allocations are expressed in the Government of Iraq's letter on the basis of funding levels of 29 January 1999 plus the following additional phase IV expenditures: $45 million for the oil sector, $14 million for the health sector, $32 million for water and sanitation and about $125 million for electricity.

[c] The Government of Iraq's proposed health sector allocation was adjusted to ensure full funding for targeted nutrition. Forecast revenues for phase IV are approximately $1,780 million.

C. Government of Iraq sectoral allocations for phase V: ESB (53 per cent) account, including bulk procurement

(Millions of United States dollars)

| Sector | Original phase V distribution plan | | Government of Iraq letter of 25 February 1999 | |
|---|---|---|---|---|
| | Amount allocated | Percentage of entire allocation | Amount allocated | Percentage of entire allocation |
| Food | 1 056.00 | 43.20 | 906.00 | 45.10 |
| Food equipment | 120.00 | 4.90 | 80.00 | 4.00 |
| Health | 219.00 | 9.00 | 200.00 | 10.00 |
| Oil spare parts | 300.00 | 12.30 | 300.00 | 14.90 |
| Water and sanitation | 127.50 | 5.20 | 90.00 | 4.50 |
| Agriculture | 146.00 | 6.00 | 130.00 | 6.50 |
| Electricity | 293.00 | 12.00 | 250.00 | 12.50 |
| Education | 75.00 | 3.00 | 50.00 | 2.50 |
| Communications | 107.30 | 4.40 | - | - |
| Total | 2 443.80 | 100.00 | 2 006.00 | 100.00 |

## Annex II

### Oil exports and revenues received during phases I to V

| Phase | Exports (Millions of barrels) | Revenue (Millions of United States dollars) | Average price (United States dollars per barrel) |
|---|---|---|---|
| I | 120 | 2 150 | 18.0 |
| II | 127 | 2 125 | 16.7 |
| III | 182 | 2 085 | 11.5 |
| IV | 308 | 3 027 | 9.8 |
| V | 268 | 2 619[a] | 9.77 |

[a] Revenue figure for phase V estimated as at 15 April 1999.

Annex III

Status of applications for oil spare parts and equipment as at 20 April 1999

| Status | Phase IV | | Phase V | |
|---|---|---|---|---|
| | Number of applications | Value (Millions of United States dollars) | Number of applications | Value (Millions of United States dollars) |
| Received by Secretariat | 552 | 287.64 | 119 | 89.75 |
| Submitted to Committee | 489 | 265.97 | 52 | 28.44 |
| Approved | 398 | 237.58 | 35 | 13.14 |
| Blocked | 0 | 0.00 | 0 | 0.00 |
| On hold | 91 | 28.39 | 17 | 15.30 |

Annex IV

Reimbursement from the ESC (13 per cent) account to the ESB (53 per cent) account from phase I to phase V

(United States dollars)

A. Food

| | Phase I | Phase II | Phase III | Phase IV | Phase V |
|---|---|---|---|---|---|
| Estimated total reimbursable | 118 557 979 | 120 193 393 | 120 412 245 | 124 388 170 | 164 424 514 |
| Total amount reimbursed | 118 557 979 | 113 040 509 | 99 977 296 | 80 041 010 | 397 969 |
| Balance reimbursable | - | 7 152 884 | 20 434 949 | 44 347 160 | 164 026 545 |

B. Medicine

| | Phase I | Phase II | Phase III | Phase IV | Phase V |
|---|---|---|---|---|---|
| Estimated total reimbursable | 28 800 000 | 28 750 000 | 18 400 000 | 12 000 000 | 14 000 000 |
| Total amount reimbursed | 20 935 923 | 6 205 242 | 2 468 300 | 41 394 | - |
| Balance reimbursable | 7 970 901 | 22 544 758 | 15 931 700 | 11 958 606 | 14 000 000 |



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Annex V

Applications on hold

(ESB (53 per cent) account) as at 20 April 1999

| Sector | Phase III | | Phase IV | | Phase V | |
|---|---|---|---|---|---|---|
| | Number of applications | Value (United States dollars) | Number of applications | Value (United States dollars) | Number of applications | Value (United States dollars) |
| Food basket | 3 | 2 913 750 | 3 | 1 069 500 | 6 | 2 735 500 |
| Medicine | 6 | 2 481 298 | 6 | 13 833 126 | 5 | 4 992 465 |
| Oil spare parts | 0 | 0 | 91 | 28 387 493 | 17 | 15 298 793 |
| Subtotal | 9 | 5 395 048 | 100 | 43 290 119 | 28 | 23 026 758 |
| Food handling | 0 | 0 | 5 | 25 099 010 | 3 | 611 658 |
| Water and sanitation | 1 | 312 000 | 6 | 17 776 208 | 8 | 24 375 182 |
| Electricity | 4 | 3 664 815 | 23 | 29 071 522 | 10 | 3 394 344 |
| Agriculture | 0 | 0 | 3 | 963 500 | 13 | 17 290 511 |
| Education | 2 | 1 015 000 | 4 | 1 625 095 | 5 | 4 695 507 |
| Infrastructure | 0 | 0 | 0 | 0 | 0 | 0 |
| Subtotal | 7 | 4 991 815 | 41 | 74 535 335 | 39 | 50 367 202 |
| Grand total | 16 | 10 386 863 | 141 | 117 825 454 | 67 | 73 393 960 |